



## Caribbean Green Economy Action Learning Group

Green economy in practice:  
The Barbadian perspective  
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Discussion paper

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### Green Economy

#### Introduction

Over the past four decades, there has been a growing need to highlight the issues impacting on our world, particularly those relating to the environment. Concerns regarding environmental protection have been documented in the 1972 Stockholm Conference on the Human Environment, the 1987 Brundtland Report and the 1992 Rio Earth Summit. The Green Economy has attained global significance at the recently concluded Rio +20 United Nations Conference on Sustainable Development. While there have been many definitions proposed for green economy (see Box 1), it is best to think about it as a family of many different ideas; these include ideas such as a low carbon economy, sustainable consumption and production, green growth, sustainable development and the 'global green New Deal'.

Building momentum for the transition to a resource efficient economy calls for international cooperation, partnerships, and communication. In March 2011, the United Nations Environment Programme, the Government of Barbados and the University of the West Indies, Cave Hill Campus (UWI-Cave Hill) embarked upon a joint initiative: the Green Economy Scoping Study

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 convener 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.

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(GESS)<sup>2</sup>. The study embraced an ecosystem-based approach<sup>3</sup> in which sectors such as construction, transportation; tourism and agriculture along with the cross cutting issues of water, energy, waste, and land are taken into consideration. The pursuit of such an initiative was grounded in the Former

**Box 1: What is the green economy?**

‘An economy that results in improved human well-being and reduced inequalities over the long term, while not exposing future generations to significant environmental risks and ecological scarcities.’  
(UNEP, 2010a).

‘A system of economic activities related to the production, distribution and consumption of goods and services that results in improved human well-being over the long term, whilst not exposing future generations to significant environmental risks and ecological scarcities.’  
(UNEP, 2010b).

Prime Minister, the Late Honourable David J. Thompson’s presentation of Estimates in March 2009 where he announced his vision for Barbados to become “the most environmentally advanced green country in Latin America and the Caribbean”.

This background paper seeks to highlight the green economy policy framework in Barbados by outlining the methodological approach used in the GESS and identifying enabling conditions necessary to make the transition to a green economy.

The study utilized a methodological approach that combined qualitative and limited quantitative analyses, stakeholder consultations and engagement, and strengths-challenges-options-responses-effectiveness (SCORE) analysis. The approach is graphically illustrated in Figure 1. Data collection for the study involved meetings with key government agencies and stakeholders in the sectors. This was done in three types of fora: stakeholder consultations for each industry and cross cutting issue, and a series of technical seminars to facilitate the articulation of the enabling environment for the country’s transformation to a green economy.

At an even deeper level, stakeholder consultations were held for each industry and crosscutting issue, as well as on the topic of enabling conditions to foster the green economy transition. Holding these consultations and fully reflecting the views of participants ensured that the document would have life after publication. The time needed to ensure adequate stakeholder consultation should not be under-estimated. The administrative team for the GESS spent numerous hours thinking, planning, and ensuring that key individuals were present at stakeholder meetings. While this process delayed the completion of the project somewhat, the legacy benefits more than outweighed the potential costs.

The methodological approach utilised in this study, while quite useful for data scarce countries, also requires coordination and planning. Ideally, the strengths, opportunities, challenges, responses, and effectiveness analysis should be undertaken in a symbiotic way by the technical team in consultation with the stakeholders. The stakeholder consultation process provides verification of the technical analysis and ensures that all views are fully captured in the report.

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<sup>2</sup> The Barbados Green Economy Scoping Study can be downloaded at [http://www.unep.org/greeneconomy/Portals/88/documents/SYNTHESIS%20REPORT\\_Barbados.pdf](http://www.unep.org/greeneconomy/Portals/88/documents/SYNTHESIS%20REPORT_Barbados.pdf).

<sup>3</sup>The ecosystem approach is a strategy for the integrated management of land, water, and living resources that promotes conservation and sustainable use in an equitable way.

## **Enabling Conditions**

The study highlighted numerous opportunities in relation to agriculture, fisheries, building, transportation and tourism. The green economy transition can therefore be seen not only as a way to encourage environmental sustainability, but also an opportunity to diversify the economy, generate new jobs and business opportunities and support poverty alleviation. In many industries, this transition has already begun with positive results. Since the 1970s, solar water heaters largely supported by tax incentives for consumers have dominated Barbados' water heating industry, while in the tourism sector many hotels have sought to achieve green certification as a means of enhancing demand and increasing profitability. It is expected that as these and other initiatives penetrate the economy both firms and the island will benefit.

To exploit these potential opportunities, the country will have to address various sector specific challenges, such as the lack of research and development in agriculture, standards legislation in fisheries, lack of training programmes and regional experts in building/housing, public attitudes to green initiatives in transportation and the heavy dependence on imports as well as low occupancy rates in tourism. It will also be necessary to develop the enabling conditions to facilitate the transition in the areas of financing, development, access and transfer of clean technology; trade tariffs and investment; taxation, incentives and fiscal

reform; education, training and capacity enhancement; standards and regulation, and government procurement.

One of the most important components of the emergence of the green economy will be the development and adoption of new approaches to financing green investments, i.e. green finance. Usually, governments have two ways of financing green economy-related programmes: either with tax-exempt bonds (government-owned approach), or by entering into turnkey relationships with private developers. The study highlights several grant facilities at the national and extra-national levels available to support the green economy policy initiative, including the Global Environment Fund (GEF), the GEF Small Grants Programme and the Inter-American Development Bank Regional Public Goods Initiative. Experts did note, however, that institutional limitations in terms of skill sets and scale are major challenges in accessing available grant facilities. In addition to the above recommendations, consideration should also be given to alternative funding mechanisms such as resource use fees, which attempt to capture some of the willingness-to-pay of the users of protected areas.

## **References cited:**

Government of Barbados. 2011. *Policy Research, Planning and Information Unit Report*. Prepared for the Ministry of Environment and Drainage Submission to the Annual Social and Economic Report 2011.

### 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.

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