Strengthening financing for Caribbean Local Green-Blue Enterprises
PROJECT BRIEF

Background

The Caribbean Natural Resources Institute (CANARI) is continuing its work to promote and support transformation to more environmentally sustainable, inclusive and resilient economic development in the Caribbean. Micro, small and medium enterprises (MSMEs) were identified as a key pathway in this transformation but require enhanced support, including finance. Building on earlier collaborative work, CANARI is partnering with the Green Economy Coalition (GEC) to implement the global project “Civil society participation for sustainable finance reforms: global coverage” funded by the European Union (DCI/ENV/2020/417-985) to address this need. CANARI is leading implementation of the project in Trinidad and Tobago, with other GEC partners implementing the project in India, Mongolia, Peru, South Africa, Senegal and Uganda. Finance Watch is also a project partner.

Within the broader project, CANARI’s work will continue to focus attention on how nature-based micro-enterprises can be more effectively supported, given that these are key in the Caribbean economy, particularly for the rural poor and marginalised, but are highly vulnerable to climate change and other threats. The project will support local and national dialogues to convene LGEs and support agencies and partners (from the civil society, public and private sectors) and their networks at local, sector and national levels and connect their perspectives into policy dialogues with governments to address key constraints to investments and promote good governance.

Project in brief

Outcome: An improved investment climate for Local Green-Blue Enterprises (LGEs) in Trinidad and Tobago

Objectives:
1. To create opportunities for participation of stakeholders in green economy policy development
2. To improve national/local government and financial institution policy processes to enhance the investment climate for LGEs
3. To improve institutionalisation of networking between and among LGEs and other stakeholders
4. To establish/expand platforms for knowledge sharing between LGEs and other stakeholders

Project country: Trinidad and Tobago
Budget: €176,000
Duration: June 2020 to May 2022
Project webpage: www.canari.org/LGEsFinance

An LGE is defined as micro, small or medium sized enterprise (MSME) that has a potential positive effect on the global or local environment, community, society, or economy, and is a business that strives to meet triple bottom line returns (economic, environmental and social). LGEs consist of informal and formal MSMEs and social enterprises that use green business models, develop green products or green their business practices. They are important actors within local economies and societies, and key economic players to drive inclusive and sustainable development in low and middle-income countries throughout the world. The challenges that face LGEs relate to both their green and social aspirations as well as to their status as MSMEs.

1 To learn about past work see https://canari.org/green-economy/.
Activities

1. **Conduct Contextual Financial Analysis (CFA)**

   Supported by Finance Watch, CANARI will review the financial landscape and document laws, policies, regulations, practices and key stakeholders and initiatives. The CFA will be developed via desk reviews, interviews and focus groups with key stakeholders. The report produced will provide the foundation for stakeholders to identify signature issues facing LGEs for dialogue and policy engagement under the project.

2. **Convene dialogues**

   **Define and map signature issues:** CANARI will host a national workshop with key stakeholders to raise awareness on overall progress towards a sustainable, inclusive and resilient economy through discussion on the [Trinidad and Tobago Green Economy Tracker](#) developed by the GEC. The specific role of LGEs in an inclusive green-blue economy will be discussed. Stakeholders will analyse findings of the CFA to identify signature issues and recommendations for engagement with LGEs, policy makers and support agencies on how to enhance financing and other support to LGEs.

   **Build action learning alliances/LGE finance reform policy platforms:** CANARI will re-convene and expand the Trinidad and Tobago Small and Micro Enterprise Action Learning Group (TT SME ALG). This ALG was established in 2014 and comprises over 30 entrepreneurs as well as public, private and civil society support agencies who worked together to develop and test the [Local Green-Blue Enterprises Radar](#) as a tool to help LGEs enhance their delivery of triple bottom-line benefits (economic, environmental and social) alongside good governance. The ALG also explored how to build a more enabling policy, legislative, regulatory, fiscal and financing environment to support LGEs for inclusive green economy transformation. CANARI will also re-convene and expand the Caribbean Green Economy Action Learning Group (GE ALG), which was established in 2012 as an independent group of 28 experts from 10 island states, including from academia, civil society, government and key regional and sub-regional organisations. It is recognised as a leading forum for critical and independent discussion on green and blue economy transformations in the Caribbean.

   **Support stakeholder actions and local, national and regional dialogue to initiate action:** Members of the two ALGs and other stakeholders will be engaged through local, national and regional dialogues that bring together LGEs, business associations, civil society organisations and networks, local activists, policymakers, financial institutions, investors and support agencies. They will collaborate on action research and learning processes to explore the signature issues facing LGEs in Trinidad and Tobago. They will identify and test solutions and identify policy recommendations, including where relevant for the wider Caribbean.

   **Generate and communicate evidence:** Learning generated by the ALGs will be documented and communicated, including via CANARI’s online knowledge hub [https://hub.canari.org/](https://hub.canari.org/) and targeted communication to policymakers.

3. **Make Evidence-Based Policy Recommendations**

   CANARI and the ALGs will seek opportunities to input recommendations into policy processes at the regional and national levels in the Caribbean. CANARI will also input into development of global LGE finance policy reform synthesis reports and policy advocacy work led by Finance Watch, including knowledge sharing across countries and participation in global sustainable finance events.

4. **Develop the global GEC network**

   CANARI will collaborate with other GEC members to explore strengthening and expansion of the network.

For more information please see [www.canari.org/LGEsFinance](http://www.canari.org/LGEsFinance) or contact Nicole Leotaud at [nicole@canari.org](mailto:nicole@canari.org).