Pillar 2: Strengthening Regulatory Capacities to Support a Dynamic, Climate Smart and Inclusive Private Sector

CALL FOR PROJECTS

ENHANCING CLIMATE-SMART, GENDER-RESPONSIVE PUBLIC GOVERNANCE IN THE CARIBBEAN

GUIDELINES FOR SUBMISSION OF PROJECT CONCEPTS

LAUNCH DATE: JANUARY 14, 2025

CONTEXTUAL BACKGROUND

Compete Caribbean is a multi-donor trust fund focused on contributing to a more dynamic, inclusive, sustainable and resilient private sector in the Caribbean. The program is jointly funded by the Inter-American Development Bank (IDB), the United Kingdom's Foreign and Commonwealth Development Office (FCDO), the Caribbean Development Bank (CDB), and the Government of Canada (GAC). It is executed by the IDB through a Facility Coordination Unit (FCU) based in the IDB's Barbados Country Office.

Since 2010, Compete Caribbean has provided technical assistance to advance productive development policies, support institutional strengthening, and stimulate competitiveness, growth and innovation of small and medium sized enterprises (SMEs) in its 13 beneficiary countries: The Bahamas, Barbados, Belize, Guyana, Jamaica, Trinidad and Tobago, Suriname, Antigua and Barbuda, Dominica, Grenada, St. Kitts and Nevis, Saint Lucia, and Saint Vincent & the Grenadines. A cornerstone of this work is delivering technical assistance to public sector institutions and regulatory agencies, recognizing the critical leadership role of the public sector in creating an enabling environment for business productivity, including through establishing robust legislative and regulatory frameworks, providing safeguards to ensure sustainability and social equity, and creating incentives that foster innovation, competitiveness, and responsible business practices.

The current iteration of the program, **Compete Caribbean+: Partnering for a Competitive, Equitable and Climate-Smart Caribbean Region (CC+),** will be implemented over the period 2024-2029. As the third phase of Compete Caribbean, it builds on the success of the Compete Caribbean Program (2010-2017) and of the Compete Caribbean Partnership Facility (2017-2023) while placing emphasis on strengthening climate action, and gender equality and inclusion in the Caribbean private sector. The primary aim of CC+ is ***to mainstream climate action in the Caribbean private sector, while increasing Caribbean businesses' contribution to economic growth in ways that expand employment and inclusion opportunities for vulnerable groups***. This will be achieved via the following three objectives: (i) improving competitiveness, climate action, and inclusiveness of the Caribbean private sector; (ii) enhancing government capabilities to support climate-smart and gender-responsive businesses; and (iii) reinforcing research institutions and surrounding ecosystems to produce knowledge that supports climate-smart and gender-responsive public and private sectors.

CALL OBJECTIVES: WHAT ARE WE LOOKING FOR?

The purpose of this Call for Proposals is to identify and support initiatives that enhance government and regulatory capabilities to foster climate-smart and gender-responsive business practices in the Caribbean. Through this call, CC+ will deliver Technical Assistance to solve critical bottlenecks in governance, regulation, or institutional capacity aimed at strengthening public governance to drive climate resilience, inclusive growth, and support climate action and competitiveness by the private sector. Projects should integrate gender-responsive approaches and where applicable address the needs of vulnerable/ marginalized communities including those most affected by climate change.

Project Concepts should be aligned to one or more of the following CC+ priorities:

I. Strengthen Public Governance

- To draft, enhance and/or support the implementation of gender-responsive, climate-related legislations, regulations, policies to incentivise environmentally friendly and responsible business practices and stimulate private sector investment in climate-smart initiatives.
- To build and/or enhance institutional frameworks and governance structures for policy makers to more effectively lead and manage climate related initiatives and policy enforcement mechanisms, to empower the private sector to engage in climate action and adopt sustainable business practices to increase competitiveness.

II. Build & Enhance Institutional Capacity

- To enhance institutional capacity to formulate, implement and monitor climate-related policies and interventions that influence and/or intersect with private sector development, including those that comply with Nationally Determined Contribution (NDC) commitments or National Adaptation Plans (NAPs).
- To enhance knowledge and awareness of Gender Equity and Social Inclusion strategies for policymakers involved in climate governance to help them develop, implement and better participate in socially inclusive climate change governance mechanisms and solutions that bolster productivity, drive entrepreneurship and contribute to private sector development.

III. Develop and Implement Climate-Smart Actions and Action Plans

- To develop and implement plans that accelerate and support climate action, and the net-zero transition by the private sector, promote private sector engagement and partnerships for implementation.
- To design, implement or promote initiatives to support new Blue/Green innovations and sectors including to foster new green skills and market opportunities.
- To support policy makers to design and implement socially inclusive mitigation/ adaptation solutions that foster an enabling environment for sustainability and resilience, including for micro, small and medium enterprises (MSMEs), vulnerable groups/communities and those most severely impacted by climate change.

ELIGIBILITY CRITERIA

- **Eligible Countries:** *Antigua and Barbuda, The Bahamas, Barbados, Belize, Dominica, Grenada, Guyana, Jamaica, Saint. Lucia, St. Kitts and Nevis, Saint Vincent and the Grenadines, Suriname, and Trinidad & Tobago.*
- **Who can apply:** Eligible beneficiaries include: (i) national governmental institutions and line ministries; (ii) national quasi-government Agencies and Business Support Organizations (BSOs); and (iii) national and regional organizations and business entities in partnership with member Governments.
- **Lead Entity**: A government/quasi-government institution must be designated as lead entity with responsibility for fulfilling financial, administrative, and reporting requirements to ensure compliance with use of CC+ resources. For regional projects, the lead entity may be Regional Agencies acting in collaboration with and on behalf of project beneficiary countries.
- **Diversity and Partnerships:** CC+ welcomes proposals that promote gender equity and economic opportunities and inclusion for diverse and vulnerable populations. Collaborations are encouraged, and private sector entities, non-governmental organizations (NGOs), academic institutions, associations supporting women, youth, and indigenous groups, organizations of persons with disabilities, and other civil society institutions are welcome to apply in collaboration with government partners.

Eligible Projects

- **Project Scope**: Project Concepts should clearly outline the challenges and/or related opportunities to be addressed, and the proposed solutions. Interventions should be linked to supporting climate mitigation and/or adaptation actions in business, promoting green goods and services, and increasing opportunities for inclusion.
- **Excluded Activities**: Projects should not include any of the List of Excluded Activities as designated by the **Inter-American Development Bank (IDB) Environmental and Social Policy Framework, September 2020** (**Pgs. 29-30**)
- **Online Application Form:** Projects proposed for funding must be fully outlined in the Application Form and submitted by a government or quasi-government entity which is the designated lead entity.
- **Project Evaluation:** An Independent Project Evaluation is Mandatory for all CC+ projects.

Possible Areas of Focus (Included as Examples Only)

Ultimately, the call seeks to catalyze systemic change by equipping governments with the tools, knowledge, partnerships and resources needed to foster climate resilience, with downstream benefits to enhance private sector competitiveness. Examples of projects are included below and further detailed in **ANNEX 1 – PROJECT EXAMPLES AND IDEAS.**

- ✦ Developing or enhancing legal frameworks for climate-smart business practices.
- ✦ Developing/updating policies and regulations including those linked to climate and environmental management, supporting inclusive food systems, biodiversity-driven sectors, and incentivizing nature-based / nature-positive economic sectors.
- ✦ Initiatives to promote decarbonization and achievement of green certifications and standards.

- Employment and higher education policies which promote development of competitive green skills.
- Development or enhancement of public procurement systems and processes including to integrate technology and create enabling conditions for procuring green innovations.
- Private sector collaboration and incentivizing related to monitoring, verification and reporting (MRV) systems and Environmental Social Governance (ESG) with specific indicators to track private sector climate actions.
- Establishing pathways for participation in global blue and green carbon markets.
- Building institutional capacity for gender-responsive and inclusive policy design and implementation.

WHAT ARE THE AWARDS?

1. **Technical Assistance:** Selected project concepts will receive support from a professional consultant/firm to refine and develop the concept into a comprehensive Project Proposal, as needed. This process will ensure the project, and its partners are validated and that the proposal is elaborated in sufficient detail to meet the requirements of the CC+/IDB project approval process.

2. **Grant Awards**: These project proposals will receive non-reimbursable technical assistance of up to **US$200,000** (up to 80% of the total proposed project budget), subject to the below Award Conditions.

   *** Counterpart Contributions**: The lead agency/project partners are expected to contribute at least 20% of the total proposed project budget (in cash and/or kind). Examples of counterpart contributions include staff time, equipment, facilities, or other operational costs directly tied to the implementation of the project.

**** Award Conditions**: CC+, in collaboration with Country focal points, IDB Specialists and/or Regional Development Partners, will shortlist up to **three (3)** projects per country, from which **one (1)** will be selected for funding. Funds will be awarded to selected projects, subject to the following conditions:

a) The project is submitted and led by a Public Sector Entity/ Quasi Government Agency and recommended for funding by the Government via a Letter of Request.

b) For regional projects, the lead entity may be Regional Agencies acting in collaboration with project beneficiary countries, and Letter of Request should be received from each Country indicated/included as a project participant/ direct beneficiary respectively.

c) The project should have a clear focus on strengthening governance, aligned with promoting climate adaptation, mitigation, and/or resilience building actions that benefits/rebounds to the private sector, and integrates an element of fostering gender equity, diversity and social inclusion.

d) In the case of beneficiary executed projects, a legal agreement to use CC+/IDB funding and counterpart resources towards the implementation of the selected project must be signed by all relevant parties. Note that the IDB/CC+ may stipulate additional requirements, prior to disbursement of funds.

EVALUATION CRITERIA

Proposals are expected to outline a demonstrated commitment to promoting climate resilience, adaptation and mitigation measures in the private sector, through design, enhancement and/or implementation of innovative green policies, legislations, standards and guidelines that integrate considerations for gender equity and the inclusion of vulnerable populations.

The projects will be evaluated according to the following criteria:

Criteria	Description	Weight
1. Relevance and Alignment	○ Alignment with CC+ Pillar 2 Criteria to support public sector interventions, policies, legislation and regulatory frameworks that incentivize climate actions by the private sector. ○ Alignment with Nationally Determined Contributions (NDCs), National Adaptation Plans (NAPs), or other relevant national or regional climate goals and priorities. ○ Promotes environmentally and socially responsible business practices that integrate considerations for gender equity and vulnerable populations. ○ Clear focus on promoting/enabling climate resilience and advancing climate change adaptation and mitigation measures with direct private sector benefits.	20%
2. Innovation and Impact	○ Additionality (Added Value, Impact and Benefits) created by this intervention. ○ Introduction or expansion of novel or transformative solutions that have the potential to create significant climate change benefits. ○ Type/Value of expected impact on businesses (e.g. jobs, financial growth, adoption of climate-smart practices, # of persons benefiting from training etc). ○ Type/Value of expected impacts on the Country (e.g. national climate change related economic, social, or environmental goals and/or priorities).	20%
3. Feasibility and Sustainability	○ Clarity and feasibility of the proposed project with clear identification of Risks and Mitigation Strategies ○ Effective use of existing resources, infrastructure, partnerships, or co-financing to maximize the project's impact ○ Evidence of plans for long-term sustainability of project outcomes and to scale the results achieved once the CC+ project ends.	25%

4. Execution Arrangements and Institutional Capacity	○ Evidence of public sector interest and leadership in the project/solution. ○ Demonstrated capacity of the lead entity to implement the project with adequate allocation of human, financial and other resources, and any project partners identified. ○ KPI's are clearly outlined, and strategies and needs identified to guarantee success and ensure relevant stakeholder engagement and benefits.	20%
5. Gender and Social Inclusion	○ Clear inclusion of gender considerations in project design, implementation and outcomes. ○ Evidence of efforts to benefit marginalized or underserved groups including women, youth, indigenous and rural communities and those severely impacted by climate change.	15%

SCHEDULE

Launch of Call: **January 14, 2025**

Expected announcement of selected Project Concepts: **June 2, 2025**

Technical Assistance for Project Proposal Development: **July - September, 2025**

Approval of Projects and Kick Off: **October - December 2025**

***Q & A office hrs:** (*) Countries can reach out to the CC+ team for support and guidance via email at competecaribbean@iadb.org

NB: DATES ARE APPROXIMATE AND SUBJECT TO REVISION

HOW TO APPLY

Step 1: Complete Online Application Form and three (3) mandatory Appendices
Proponent entities should complete the Application Form – Call for Project Concepts Online. Additionally, download and complete the following three (3) mandatory Appendices (templates are available for download):

- **Appendix I (A & B)**: Proposed Activities/Implementation Plan & Budget
- **Appendix II**: Signed Letter of Government Request*
- **Appendix III**: Signed Letter of Commitment by Public Sector Lead Entity (providing written commitment of counterpart resources, staff allocation, and detailing any partnerships)

***Regional projects** should be recommended for funding by two or more Caribbean Countries that are included as direct beneficiaries. A Letter of Request, Endorsement or Non-Objection should be received from each Country (i.e. the relevant Government/ Quasi-Govt) entity respectively. For regional projects, the lead entity may be Regional Agencies acting in collaboration with and on behalf of project beneficiary countries.

Step 2: Upload Documents

Upload the three (3) appendices and **Submit Your Application Online** within the timeframe specified for the "CC+ Call for Projects".

Submitted proposals will be examined only if they fully comply with the evaluation criteria and requirements described above. CC+/IDB reserves the right to contact applicants at any time during the application process.

> Proposals and any documentation should be summitted in ENGLISH only. CC+/IDB shall not be responsible if not able to open/access uploaded files.

Optional attachments to upload include supporting documents, to further facilitate and enhance understanding of the project, such as:

- Organizational profiles
- Letters of commitment from partners
- Technical studies, publications and reports

Applicants will be informed about the outcome of their application via the email address provided.

PLEASE E-MAIL QUESTIONS TO: competecaribbean@iadb.org.

SELECTION PROCESS

Phase I – Project Concept Submission

After submitting your application online, an IDB team of project specialists will review, analyse, and shortlist up to **three (3) project concepts** per country against the evaluation criteria, one of which will receive financing after discussion with government authorities. Regional projects including two or more eligible countries will be considered in a separate category.

Phase II – Project Proposal Development

CC+, in collaboration with Country focal points, IDB Specialists and Regional Development Partners, will select **one (1) project** for funding. Following the selection, and if required, a consultant or consulting firm will be engaged to assist in developing a comprehensive project proposal for submission to the IDB's project approval process. This process is expected to take approximately three (3) months, though the timeline may vary depending on the maturity of the project concept and other factors. The lead entity and project partners are expected to actively participate and collaborate closely with the selected consultant/consulting firm throughout the proposal development phase.

Phase III – Project Implementation

Final approval is subject to CC+ and IDB's internal procedures. Implementation of approved projects is expected to begin in Q4 2025. Project execution will be planned for a period of up to 36 months. An Independent Project Evaluation is Mandatory for all CC+ projects.

NOTICE AS TO DISCLAIMERS AND RESERVATION OF RIGHTS

- The IDB reserves the right to eliminate participants at any part of the process and this decision shall be final and binding.
- The IDB may decide to not select an applicant if the submissions did not meet the requirements or did not have sufficient quality.
- The IDB may search for publicly available information regarding participants and may seek to verify details referenced in the application.
- The IDB reserves the right to cancel the competition at any time.
- All decisions of the IDB are final and binding, with no process for appeal.
- Participants that submit content that is offensive, illegal, etc. and those that disparage the Bank or other sponsors will be eliminated.
- IDB will not consider participants who are ineligible to participate in Bank projects or contracting under its sanctions protocol.
- IDB reserves the right to disseminate and share the identity of the applicants and any other information deemed relevant.

These terms and conditions may be updated at any time and will be made available to all participants online.

PROJECT EXAMPLES AND IDEAS

The following list provides examples of potential projects. Please note that this list is not exhaustive and serves only as indicative examples. Please also see **Handout on Project Examples and Ideas** via the CC+ Call for projects concepts website.

Strengthening Public Governance

- Strengthening Government Agencies and other public sector intermediaries to deliver club and public goods to support sustainability, climate action and inclusiveness, with a focus on high growth sectors or those that employ large numbers of vulnerable populations.
- Drafting, enhancing and/or supporting the implementation of gender-responsive climate-related legal and policy frameworks to promote climate-smart business practices to enhance competitiveness and stimulate climate action by businesses, including **decarbonization** and to support the net-zero transition.
- Developing/updating policies and regulations aligned to climate and environmental management.
- Aligning **national laws** with international standards and global benchmarks for environmental protection and sustainable use of marine resources.
- ESG regulations - government standards for **Environmental and Social Governance (ESG**)-related actions, reporting, or disclosures.
- Design and/or enhancing standards and guidelines for climate-resilient infrastructure.

Enhancing Institutional Capacity

- Enhancing institutional capacity to formulate, implement and monitor climate policies for businesses, including those that comply with their **Nationally Determined Contributions (NDC) commitments** or **National Adaptation Plans (NAPs**) and other national priorities, that influence and/or intersect with private sector development.
- Building institutional capacity for **climate-literacy** and gender-sensitive policy design and implementation.
- Enhancing knowledge of **Gender Equity and Social Inclusion** among policymakers involved in climate governance to help them develop, implement and better participate in socially inclusive climate change governance mechanisms and solutions.
- Enhancing government and institutional capabilities to establish an enabling framework that fosters competitive, **climate-smart MSMEs** while improving the business and innovation climate.

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Promoting Green Innovation and Climate Action

- **Green Goods and Services:** Public procurement for green innovation, achievement of green certifications and standards, employment and higher education policies which promote development of competitive green skills.
- **Incentives for Green Innovation**: Formulation of policies offering tax breaks, subsidies, or other incentives for private sector investment in renewable energy, energy efficiency, and climate-smart agriculture.
- Enabling conditions for procurement of green innovation, the adoption of green standards and achievement of green certifications across sectors at the national and/or regional level.
- Establishing pathways for participation in green and blue carbon markets.
- Legislation and incentives to incentivize non-traditional new green and blue sectors.

Supporting Inclusive and Sustainable Economic Sectors

- Developing more inclusive food systems, climate-smart agriculture.
- Incentivizing **nature-based economic sectors** with biodiversity co-benefits (i.e. blue economy, ocean governance, sustainable tourism).

Facilitating Climate Finance and Partnerships

- Climate Finance Mechanisms: Support for development of public mechanisms that facilitate private sector access to green financing, including de-risking tools and blended finance models.
- **Carbon Pricing Mechanisms**: Design and implement carbon taxes or emissions trading systems to incentivize private sector decarbonization.
- Public-Private Partnerships (PPPs): Support establishment of frameworks for PPPs that advance climate mitigation and adaptation projects, including disaster risk management systems and protocols, circular economy and waste management etc.

Digitisation and Technology Adoption

- Initiatives that foster digital and climate technology adoption and that improve labor force skills related to climate, digital and general innovation, with a focus on women.
- **Digital Monitoring Platforms**: Developing a centralized digital platform for tracking the progress of NDC and NAP implementation, allowing for real-time data collection and analysis, providing insights on private sector contributions to climate goals.

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LIST OF EXCLUDED ACTIVITIES

The IDB does not grant funding for projects or companies involved in the production, trade or use of products, substances or activities set forth in the **Inter-American Development Bank (IDB) Environmental and Social Policy Framework**, **September 2020** (**Pgs. 29-30**)

The following list is **Not** exhaustive, and the Policy Framework should be reviewed for the full list of exclusions.

1. Weapons and ammunition.
2. Tobacco[i]
3. Gambling, casinos and equivalent companies[ii]
4. Animals and wild plants or products derived from them are regulated in accordance with the Convention on international trade in endangered species of Wild Flora and Fauna (CITES)[iii]
5. Radioactive materials[iv]
6. Not caked asbestos fibres[v]
7. Projects or forestry operations that are not consistent with the environmental policy and observance of safeguards of the Bank (document GN-2208-20)
8. Compounds of bifenilopoliclorado (PCBs)
9. Pharmaceuticals products subject to phase-out or international ban [vi]
10. Pesticides and herbicides subject to phase-out or international ban[vii]
11. Ozone-depleting substances subject to phasing out international[viii]
12. Fishing in the maritime environment with drag nets exceeding 2.5 km in length.
13. Trans boundary movements of waste and waste products[ix] except non-toxic waste intended for recycling.
14. Persistent organic pollutants[x]
15. Breach of the fundamental principles of workers and rights at work[xi]

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[i] Does not apply to sponsors (*sponsors*) are not substantially involved in these activities. "Not substantially involved" means that the activity is ancillary to the main activities of the sponsor's operations.
[ii] Not apply to sponsors (*sponsors*) are not substantially involved in these activities. "Not substantially involved" means that the activity is ancillary to the main activities of the sponsor of operations.
[iii] See http://www.cites.org
[iv] Does not apply to the purchase of medical equipment, quality control equipment (metering) and other equipment that can prove that the radioactive source is insignificant and/or is properly covered.
[v] Does not apply to the purchase and use of sheets of cement asbestos caked in which the asbestos content < 20%.
[vi] Pharmaceutical products subject to phasing out or banning in United Nations, *Banned Products: Consolidated List of Products Whose Consumption and/or Sale Have Been Banned, Withdrawn, Severely Restricted or not Approved by Governments* (latest version 2008).
http://www.who.int/medicines/areas/quality_safety/safety_efficacy/who_emp_qsm2008.3.pdf .
[vii] Pesticides and herbicides subject to phase-out or international ban

[viii] Ozone-depleting substances are chemicals that react with stratospheric ozone and deplete it, giving as a result the widely spread "ozone holes". The Montreal Protocol lists these substances and their planned reduction and phase-out dates. The chemicals regulated by the referred Protocol include aerosols, refrigerants, fire extinguishing blowers for foams, solvents and agents. (http://ozone.unep.org/Publications/6ii_publications%20handbooks.shtml).
The fundamental principles and rights at work means: i) freedom of Association and the freedom of Association and the effective recognition of the right to collective bargaining; (ii) the prohibition of all forms of forced or compulsory labour; (iii) the prohibition of child labour, including, without limitation, which it the prohibition that persons under 18 years of age working in hazardous conditions (including construction), performing night work and are declared suitable to work on the basis of a medical examination; and (iv) the Elimination of discrimination in respect of employment and occupation, in which discrimination is defined as any difference, exclusion or preference based on race, color, sex, religion, political opinion or national or social origin. (Organization International Labour, http://www.ilo.org)).

[ix] Defined by the Basel Convention (http://www.basel.int).

[x] Defined by the International Convention on reduction and elimination of polluting organic persistent (September 1999) that currently includes the pesticides aldrin, chlordane, dieldrin, endrin, heptachlor, mirex and toxaphene, as well as the chemical chlorobenzenes for industrial use (http://chm.pops.int/).

[xi] (Principles and fundamental rights at work means: i) the freedom of Association and the effective recognition of the right to collective bargaining; (ii) the prohibition of all forms of forced or compulsory labour; (iii) the prohibition of child labour, including, without limitation, the prohibition of persons under 18 years of age work in hazardous conditions (including construction), performing night work, are declared fit for work on the basis of a medical examination; and (iv) the Elimination of discrimination in respect of employment and occupation, in which discrimination is defined as any difference, exclusion or preference based on race, color, sex, religion, political opinion or national or social origin. (Organization International Labour, http://www.ilo.org).

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