

Component 8: Formulation of Economic/Regulatory Proposals

The general progress of implementation of the component has been satisfactory despite some delays in the design of the pilot instruments and the review of appropriate regulations and legislation in country. Since the end of May 2000, the project has begun to address Phase II: *Implementation of Pilot Studies*. Specifically, during this period, implementation has focused on the formulation of instruments and the finalization of a methodology. These have been critical steps in the process towards defining a pilot implementation strategy.

Formulation of Instruments

The RPIU and US NOAA jointly carried out a number of country visits to follow-up on methodology development and to provide technical support to the country teams at strategic points in their deliberations.

As part of the pilot implementation process, Project Local Consultants were identified and contracted to work on pilot implementation at the country level. The operation of the Project Local Teams has been quite successful. The teams have been operating well within the implementing schedule and maintained a cohesive group of participants in the Component Team. The Component Teams that have been coordinating efforts at the local level are cross-sectoral and have been committed to both the project and its long-term possibilities.

As part of the process towards identifying potential issues to be addressed at the national level and potential instruments, one day consultations were held in June 2000 in which the RPIU and NOAA participated and acted as co-facilitators. The meetings were well attended and discussions proved extremely fruitful. The meetings also resulted in a continued training on economic instruments and their different applications. Specifically the consultations resulted in:

- The identification of options for addressing the issues identified;
- The identification of potential pilot instruments and potential issues regarding its implementation; and
- Discussions on the potential scope of the pilot implementation strategy.

Further discussions have been held with on the development of a pilot implementation strategy. A strategy has now been identified for each country. Included in the strategy is a process for building awareness and seeking political endorsement of the process.

Methodology Finalization

As part of the methodology finalization process, the Project Local Consultants have been employing meetings and consultations with various ministries and stake-holders.

In Antigua, the Ministry of Environment is expected to take the lead in implementing the instruments. In St. Kitts responsibility is expected to be shared by the Ministry of Health and Environment and the Ministry of Tourism.

Training and Capacity-Building

As part of the ongoing process, training and capacity building in this area is incorporated into daily activities. Further local and sub-regional workshops and consultations will be used as fora for further training.

The main training activity for the reporting period was the joint workshop with C7 hosted by St. Kitts and Nevis. The workshop was successful and was a strategic meeting in terms of discussing the potential opportunities for both economic valuation and implementation mechanisms in the decision-making process and the contribution that they could make to climate change adaptation policy development. It is expected that this will be useful in terms of the C8 contribution to the C4 process but also in every-day decision-making processes.

Pilot Instruments

The two participating countries defined their pilot instruments in terms of addressing their specific problems.

(a) Antigua and Barbuda:

In addressing "Sand at Risk", it is proposed that:

- A middle market for sand is developed wherein sand would be sold in small bags and not just in loads. This it is proposed would reduce the inclination for the removal of small amounts of sand in Antigua for household repairs, etc. and still maintain the current market, which is important to Barbuda.
- An organization/body would be developed to address the management of sand as a resource and not just sand as a mineral. This would also involve a change in operational policy, which is also being discussed by the team.

(b) St. Kitts and Nevis:

To address the issue of "Sustainable Development in the Coastal Zone" the team has recommended:

- The development and implementation of a GreenLeaf certification program;
- The implementation of the draft setback guidelines; and
- The assessment of the viability of a performance bond. It has been suggested that the present tax holidays would be extended due to compliance with the GreenLeaf certification program.

Public awareness has also been discussed regarding implementation of the pilot programs and ensuring both compliance and sustainability. One proposal theme for radios and public service announcements (PSAs) was the theme "If Sand Could Talk".

Sustainability of the C8 activity

As regards, sustainability of the program, the proposed plans have been presented to the Prime Minister of Antigua and Barbuda. A similar presentation to the Minister of Health and to the Cabinet is expected to be carried out in both countries.

Coordination

A C8 Coordinators Meetings was held in October 2000 to discuss C8 implementation and revise the projected plan for implementation. The meeting was also useful in ensuring communication and sharing between the two countries and also to begin the process for

discussing proposals with high-level decision-makers. It is expected that such meetings will be held at strategic periods to closely follow and maintain progress.

Despite delays in the execution of some activities and the usual delays in a consultative process, a number of outputs have been achieved in this period. In some cases, a specific effort has been made to include important agencies and sectors, which has extended the process, in some areas.

In order to ensure an adequate pilot implementation process, the pilot phase has been extended to middle of 2001. It is felt that the project needs at least six months to achieve material results and to develop a process, which can be maintained and further fostered by the national government.

Achieved outputs include:

- (i) The identification of pilot instruments;
- (ii) The development of a collaborative network between C7 and 8;
- (iii) Establishment of high-level support for the proposed instruments in at least one country; and
- (iv) Draft Pilot Implementation Methodologies developed by each Component Team.