

**CARIBBEAN LARGE MARINE ECOSYSTEM
OUTLINE PAPER (APPROVED)**



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1.0 Purpose of Outline Paper

The purpose of this outline document is to develop a shared vision for the Full Sized Project which is a key objective of the PDF-B project. Reviewing the Concept Paper the key features of the Full Sized Project are:

- Through the mechanism of the Transboundary Diagnostic Analysis, to characterise and analyse the root and underlying causes of transboundary issues relating to the management of marine resources in the CLME and develop and agree on a Strategic Action Programme to address those causes (component 2, TDA).
- Compilation and sharing of existing sources of information required for good governance of marine resources, and identification and filling of knowledge gaps (component 2, TDA) through appropriate technical programmes.
- Establishing a culture of networking and cooperation among the countries for management of marine resources, focusing on strengthening existing institutions and structures (component 3, SAP development).
- Establishment of a monitoring and evaluation framework for the ecosystem status of the CLME in line with the ecosystem management approach and SAP implementation (component 3, SAP development).
- Create successes that serve as examples of how countries can collaborate to manage transboundary marine resources through ‘Strengthening by doing’ (component 4, Demonstration projects)

A flexible framework is needed to accommodate the diverse requirements of living marine resources (LMR) governance in the Wider Caribbean and to facilitate the inclusion of all stakeholders. In designing the project concept, a variety of complementary approaches to development of a management framework for LMR were adopted. The framework accommodates these approaches which have their particular strengths and weakness.

The Large Marine Ecosystem approach uses five key modules (productivity, fish and fisheries, pollution and ecosystem health, socio-economics and governance) as the basis of an ecosystem based management approach and has a very strong and robust scientific basis. It is directly supportive of the TDA, providing productivity, fish and fisheries, pollution and ecosystem health information for the development and application of monitoring and assessment indicators.

The TDA/SAP approach is aimed at reaching an agreement through a regional Strategic Action Programme on measures needed to remove barriers to effective governance of transboundary shared resources and as a framework for coordinated interventions. The TDA/SAP approach assumes that there are centralised policy making structures already in place and that the SAP can be streamlined into the national and sectoral planning frameworks.

The multi-scaled LME governance approach proposed by the CLME Technical Task Team views governance at the local and national levels and their linkages into regional and international management and policy processes as especially important in the CLME. The LME project emphasizes governance but recognizes that science is an important and integral component of the management and policy process. The project takes the approach that

generation of scientific information should be demand-driven and determined by management and assessment needs for informed decision and policy making. There has already been a considerable investment in scientific monitoring, assessment, and research in the Wider Caribbean and it is important for the project to make best use of available information.

The TDA – SAP process supporting the pilot projects provides the means of identifying, to the extent financial resources allows, information on which to base management decisions. A portion of the funding provided by the GEF will be earmarked for urgent and immediate monitoring and assessment needs as identified by the relevant stakeholders, including policy makers and scientists.

The project framework will actively seek partners to provide the required technical and scientific inputs to augment the support provided by the GEF for introducing an ecosystem-based approach for the CLME project. A number of potential partners have already been approached and have indicated an interest in contributing their expertise and funding. Key partners who have already agreed to participate in the project under this kind of arrangement include Census for Marine Life, Nature Conservancy, University of Miami, University of West Indies, Organization for American States (OAS), and FAO.

The purpose of this outline paper is to present a balanced project vision for the planning and implementation of the CLME project.

2.0 Overall Context

In agreeing on a project vision, there are a number of features of the Caribbean Large Marine Ecosystem and the management of its living resources which need to be recognised, including:

- The large number of culturally, politically and socio-economically diverse countries (26) and dependent territories involved and their wide range of living resource management capacities.
- The mosaic of Economic Exclusion Zones, many still to be formally delimited, which covers the entire region with the exception of two small areas of high seas, and consequently a high incident of transboundary resource issues.
- The wide range of types of fishery in the CLME with different management demands and models
- The absence of any major fishery stocks from which revenues can be derived to support an all-inclusive RFMO.
- A high dependence, particularly for SIDS, on marine resources and the resulting overexploitation of coastal and off-shore living resources.
- A fragmentation and wide diversity of national, sub-regional and regional marine resource governance institutions

In designing this project, these specific CLME features were taken into account, and it is for this reason that this project stresses the importance of the LME governance framework.

3.0 Project components

The following project proposals have been developed in consultation with UNDP-GEF, IOCARIBE and the PDF-B project team. These ideas have also been discussed at a

preliminary stage with the Technical Team tasked with the production of the TDA, which includes representatives from WECAFC-FAO, OSPESCA, CRFM and selected countries, at the project kick-off meeting in October 2006. This finalized document is the result of consensus reached by the member countries and other project partners at the CLME Project Concept/TDA Synthesis Workshop held in Kingston, Jamaica on February 28 – March 3, 2007.

3.1 Component 1: Project Management

The project will be guided by the Steering Committee comprising of representatives of the participating states, the GEF implementing and executing agencies, other key bilateral and international donors (FAO, NOAA, EU, etc.) and stakeholders. The Steering Committee will review and approve all technical documents, review budgets and financial reports and provide general implementation guidance to PCU. It will meet once a year and all its decisions will be made on the basis of consensus basis. In addition to the Steering Committee, at the Sub-Regional level, advisory bodies will be formed, comprising representatives of the countries and the implementing and executing agencies, to review all sub-regional activities, including demonstration projects.

The project will be administered from a small Project Coordination Unit, the location of which has yet to be decided. In choosing the PCU location, communications and logistics as well as the facilities offered by the host country will be important criteria. The PCU will be staffed by a Chief Technical Advisor, ideally a marine resource expert, a scientific officer and two technical assistants sourced regionally. The number of support staff will be limited in order to keep administration costs to a minimum. For it to operate effectively, the PCU will have to be able to exercise a considerable degree of financial independence, particularly with respect to local contracting. The PCU will be supported by international and regional consultants selected from agreed rosters.

Implementation of the project will be dispersed as widely as possible around the participating region, with the PCU acting as the coordinating body. The PCU will assume primary responsibility for implementation of component 2 (TDA) and coordination of component 3 (SAP Development). In addition, the CLME information system and project web-site will be hosted by the PCU.

The project will include a fourth component that has demonstration projects. Implementation of the four demonstration projects will be undertaken through Inter-Agency Agreements (IAA) or sub-contracts with named project partners. The PCU will provide oversight for each of the project components. Each demonstration project will be managed through a Project Implementation Unit, which will report technically to the PCU, but will be financially independent.

3.2 Component 2: Analysis of Transboundary Living Marine Resources Issues and Identification of Needed Actions

Early on in implementation of the PDF-B project, it became apparent that development of a detailed TDA at the regional level would not be possible given the available PDF-B resources and timeframe and that TDA finalisation would have to be deferred to the Full Sized Project. In addition, it was concluded, due to the CLME's size, complex mosaic of EEZs and diverse

ecosystems, that development of a series of sub-regional TDAs would be more appropriate than a single analysis. Three sub-regions were selected for TDA development: Insular Caribbean, Central/South America and Guianas/Brazil.

The final TDA (incorporating Sub-Regional components) will be based on existing information and will characterise, scope and identify the underlying/root causes of transboundary issues relating to management of living marine resources from an ecosystem perspective. Following GEF best practice, the TDA process will lead to the identification of the priority interventions for inclusion in the SAP needed to address underlying/root causes, including filling of knowledge gaps, legal, policy, and institutional reforms, investments, economic instruments, awareness raising and stakeholder involvement. The TDA will be formulated by the Technical Task Team (TTT) selected during the PDF-B project phase. An initial TDA will be completed in the PDF-B project and the final TDA in the Full Sized Project. The initial TDA will be used to help design of the Full Sized Project.

The final TDA will be the first activity to be undertaken in the Full Sized Project and will include detailed Causal Chain Analyses (CCA), Stakeholder Analysis and Public Involvement and Communication Strategy, institutional mapping and legislative review and a socio-economic evaluation. The TDA will inform the development of the SAP, including development of a multi-level management and governance framework (component 3) and inform the final design of the demonstration projects (component 4). The TDA through the CCA will identify possible interventions to be included in the Strategic Action Programme, some of which may be implemented within the demonstration projects. To assist prioritisation during SAP development, the TDA will incorporate a socio-economic evaluation and pre-feasibility studies of key interventions.

The project design recognizes that there has already been a considerable amount of science monitoring, assessment, and research relevant to the goods and services provided by the resources of the Wider Caribbean. Much of the pertinent information is centralized in a few areas or is in forms that makes it difficult to access. Therefore, in parallel to the TDA, the project will assist in the design and development of a CLME information management system that will build on existing initiatives. The project needs to ensure that this system will be sustainable over the long term. One of the purposes of the information system will be to collate and facilitate the accessibility and dissemination of this widely scattered information, as well as to analyse the information and data produced for monitoring and evaluation of the ecosystem status of the CLME and implementation of the SAP. The design of the system will take account of other regional and sub-regional objectives to be discussed and agreed by the participating countries.

The Full Sized Project will establish a Stakeholder Advisory Group (STAG) to review the key project documents. It would comprise a team of up to 12 involved and aware stakeholders from the region who have an active interest in living marine resource management issues. The stakeholders will be carefully selected as part of the Stakeholder Analysis. They will be representatives of stakeholder groups which are not normally given a formal voice in the TDA/SAP development process, yet whose insights and perceptions of the project development may be especially illuminating given their immediate involvement with living marine resource management issues. The role of the Stakeholder Advisory Group will specifically be to provide feedback to the TDA/SAP process and design and monitoring of the demonstration projects.

3.3 Component 3: SAP Development and Identification of Reforms and Investments for Management of Shared Living Marine Resources

A SAP is a negotiated policy document which establishes clear priorities for action to resolve the priority transboundary living marine resource management problems. It identifies policy, legal and institutional reforms and investments needed to address the priority transboundary waters problems. The preparation of a SAP is a cooperative process among key stakeholders in the countries of the region.

The PDF-B project document required the production of a preliminary SAP endorsed by 26 countries and 19 dependent territories; however, in practice, it is not feasible or perhaps even appropriate at this early project stage. It was therefore decided to delay SAP development until after finalisation of the TDA as part of the Full Sized Project. The SAP development process will be informed by the TDA and the interim results of the demonstration projects. Following the principle of subsidiarity and GEF TDA/SAP best practice, the sub-regional TDAs will naturally lead to the development of Sub-Regional SAPs, nested and linked within a framework of a Regional SAP. The question would then arise what governance framework would be needed to implement such a multi-layered SAP?

The SAP component will assist the countries to create a management and governance structure for the Caribbean LME, utilizing the strengths inherent in existing institutions and structures (e.g. through a tripartite mechanism comprising FAO/WECAFC, IOC/CARIBE and UNEP/Caribbean Environment Programme) before the creation of new ones. The first step will be to map out the present institutional framework within the different fisheries and within the context of other ecosystem considerations including productivity, pollution and ecosystem health, and socioeconomics. This work will be undertaken as part of the TDA. There will also be a review of relevant international fisheries agreements and other agreements and institutions affecting the health and sustainability of the goods and services of the CLME.

The institutional strengthening activities will include:

- Strengthening of existing decision-making institutions by the creation of a regional and sub-regional framework capable of delivering EBM of the living marine resources; and, where appropriate, promoting competence for management within existing bodies, including creating strong linkages with other economic sectors and stakeholder groups.
- Strengthening the linkages between the advisory and decision-making bodies including the operationalization of arrangements for implementation of the Precautionary Principle and Code of Conduct for Responsible Fisheries.
- Encouraging the Caribbean states to ratify and implement relevant international agreements (UNCLOS, UN Fish stocks Agreement, FAO Compliance Agreement, etc) and to support the development of national enabling legislation.
- Developing and promoting regional agreements and capacity to enable the Caribbean states to participate in international Fisheries Management Organisations, in particular the International Commission for the Conservation of Atlantic Tunas.

The final step, the development and agreement on the LME management and governance framework will be carried out in parallel with the development of the SAP and should be seen as an integral part of the SAP process. The strengthened management framework would be responsible for implementation of the SAP and monitoring and evaluation of the CLME ecosystem status and trends through an agreed set of indicators and information system (see below).

The SAP component will promote the arrangements needed to link the demonstration projects to the regional and sub-regional and ecosystem-wide management and governance framework that will serve as an essential foundation for ecosystem-wide assessment and management of the LMR of the CLME.

The SAP will incorporate a monitoring and evaluation framework based on a suite of GEF IW indicators (process, stress reduction and ecosystem status) and will include reporting and updating procedures for recording SAP implementation. It will be important to establish the baselines against which the indicators are to be measured, which will be one of the most difficult tasks in the SAP development. The indicators must be measurable and, directly or indirectly, assess progress.

A review of existing monitoring programmes will be undertaken in order to identify a suite of ecosystem status indicators (ESI) which can adequately describe the status and track trends of the CLME environment whilst still being cost effective and technically feasible. The suite of ESI, in the form of an integrated Regional Ecosystem Monitoring Programme (REMP), will track the status and long-term trends in CLME fisheries, biodiversity habitat degradation and pollution. The development of the REMP should be seen as a long-term goal and should be phased to match the institutional capacity and the levels of funding available in the region. The REMP should be capable of producing consistent, comparable results and support the decision making process at the national, sub-regional and regional levels. The preliminary programme will inevitably be modest, focusing on priority transboundary pollutants and key ecosystems and fisheries under threat. The design of the REMP programme will be underwritten by the analysis done under the TDA and the results from the demonstration projects (component 3) and an integral part of the design will be a regional awareness and capacity building programme, targeting participating monitoring and advisory bodies. The REMP design will also be closely linked to that of the CLME information system to be developed under component 2.

3.4 Component 4: Targeted Projects Aimed at Strengthening the Policy Cycle and Early Strategic Action Programme Implementation

In designing the SAP implementation demonstration projects the guiding principle of 'strengthening by doing' is to be followed. Four separate fisheries specific projects are to be developed, focusing on SAP development at different levels. The demonstration fisheries will be:

- Flyingfish;
- Shrimp and groundfish;
- Lobster; and
- Reef fisheries and biodiversity

The demonstration projects will target application of best available information, including latest credible science-based assessments, to the management and policy processes at the appropriate level or levels. Data and information, analysis and advice, decision making, implementation and review and evaluation will be analysed for strengths and weaknesses through the TDA process (component 2) and the demonstration project design. The draft project proposals will be discussed and finalised with the countries and STAG early in the first year of the Full Sized Project. It is important that the demonstration projects target potential SAP interventions particularly with regard to the Precautionary Approach and Code of Conduct for Responsible Fisheries, and that the interim results feed into the SAP and LME Governance framework development process.

The demonstration project design will take note of the following the four propositions:

1. Any interruption at any stage of the policy cycle will result in dysfunctional governance of the target resources or ecosystems
2. Vertical linkages between functional policy cycles are necessary for effective LME governance
3. Horizontal linkages between functional policy cycles are often necessary for effective LME governance
4. Linkages between functional policy cycles specific to the ‘analysis and advice’ and ‘decision making’ stages of the cycle are essential for effective LME governance

The four demonstration projects will high-light different aspects of the policy cycle at different governance levels.

The operation of these policy cycles will identify institutional and information gaps that need to be filled and the necessary monitoring and assessment will be funded by the GEF project to the extent that the budget allows, and complemented, as appropriate, by support from technical partners.

3.4.1 Flyingfish

Based on an emerging fishery, this demonstration project will focus on: strengthening of linkages between ‘analysis and advice’ and ‘decision making’ policy bodies; improve coordinated implementation at the Sub-Regional level; and increase stakeholder involvement at local, national and Sub-Regional levels. A potential promoter for this project is the CRFM whilst key partners include the WECAFC ad hoc Flyingfish Working Group and the OECS. This is seen as a guide demonstration project, a yardstick from which the implementation success of other more involved projects can be measured.

3.4.2 Shrimp and Groundfish

This project will target the increasing complex and sophisticated shrimp and groundfish fishery of the Guianas-Brazil shelf. The weakness and strengths of the policy cycle have been well studied by the FAO-WECAFC fishery working group and key areas for interventions have been recommended. This demonstration project will be a model for what is achievable in terms of ecosystem-based management of a sub-regional, mixed fishery

3.4.3 Lobster

The lobster fishery is significant in that it is ecosystem wide and transboundary as a result of planktonic dispersal, whilst local and national in terms of its management and governance. The challenge will be to create an implementable policy cycles at the local level with the necessary vertical linkages to the higher sub-regional and regional levels. The local governance structure needs to be able to deliver data and information to the higher levels and implement regional management rules, whilst still maintaining some degree of self regulation. The demonstration project needs to find the correct balance between top-down and bottom-up approaches to achieving sustainable resource management. Involvement of local stakeholders and increased public awareness will be crucial in building an effective policy cycle and governance structure. OSPESCA is a potential promoter of the demonstration project. The project would in the first instance have a limited geographical scope however linkages to other areas within the Wider Caribbean where the lobster fishery is of significant importance will be developed.

3.4.4 Reef Fisheries and Biodiversity

The reef fisheries and biodiversity demonstration project will articulate a policy cycle for a subset of reef systems. These are highly complex and provide a wide range of goods and services at the local and global scale. The demonstration project will develop an assessment, management, and governance framework to ensure the ecological integrity of the reef and its ability to withstand environmental shocks and stresses such as climate change. The demonstration project will be implemented at a limited number of carefully selected sites, identified on the basis of their ability to provide comparative lessons on effective reef fisheries and reef biodiversity governance over the period of the project. The sites may be transboundary and or associated with existing Marine Protected Areas. Of particular interest to the project will be the adjoining secondary reef areas where regulation is less stringent and fishing pressure is heavier. Again, the importance of involving the local stakeholders in the decision-making process will be crucial in creating an effective governance structure.

A key objective of this component will be to engage as many of the countries in the implementation of the demonstration projects and in doing so encourage participation and engagement in the SAP process.

The demonstration projects will be designed to be replicable, and within the life of the project the lessons learnt will be transferred to comparable fisheries in the Caribbean and potentially wider afield. As part of the demonstration project design, a programme of activities will be developed to disseminate the lessons learnt.

4.0 Programme

A draft project programme is presented in a separate Excel spreadsheet file entitled CLME Timeline that accompanies this document.).

The overall programme length is 4 years, beginning Q1 2008 and ending Q4 2011. The features to note are:

- Rapid establishment of the PCU, finalisation of the TDA and commencement of the demonstration projects within the first nine months. As much preparatory work as possible needs to be done at the PDF-B stage to ensure a quick project start-up.
- Work on design of the LME management and governance framework and institutional strengthening will begin during the TDA and will continue until finalisation of the SAP. Inter-governmental negotiations have their own rhythm and cannot be dictated by a strict project timetable and therefore the maximum time needs to be made available
- SAP development will begin after TDA finalisation and delivery of interim results from the demonstration projects. The SAP development will culminate with a donors' conference and information dissemination programme.
- The demonstration projects will have an 8 month design phase and 3 year execution phase, which will give sufficient time to assess the results, including the effectiveness of any new governance arrangements.

5.0 Budget

The GEF project budget excluding co-funding and the PDF-B funding is \$7.08 million: a draft project budget given in Table 1. The final budget division will be made once the detailed activities are agreed.

Additional co-funding will be actively pursued during the PDF-B stage for the SAP development implementation component.

Table 1: Draft Project Budget
\$million

<u>Component 1</u>		
Project management and Coordination	1.18	
Subtotal		1.18
<u>Component 2</u>		
Finalisation of TDA	0.55	
Design and development of CLME information system	0.25	
Subtotal		0.80
<u>Component 3</u>		
SAP development	0.50	
Design of Monitoring and Evaluation Framework	0.20	
Institutional capacity building	0.40	
Development of CLME governance framework	0.30	
Donors Conference and information dissemination	0.20	
Subtotal		1.60.
<u>Component 4</u>		
Design and implementation of demonstration projects	3.50	
Subtotal		3.50
TOTAL		7.08