

 Early Warning System

IADB-RG-T4561

Support for Enabling Environment Conditions for the design and execution of Innovative Financial Instruments in CCB



## Quick Facts

<b>Countries</b>	Bahamas, Barbados, Jamaica
<b>Financial Institutions</b>	Inter-American Development Bank (IADB)
<b>Status</b>	Active
<b>Bank Risk Rating</b>	U
<b>Voting Date</b>	2024-11-01
<b>Borrower</b>	Governments of Barbados, Bahamas and Jamaica
<b>Sectors</b>	Climate and Environment, Finance, Technical Cooperation
<b>Investment Type(s)</b>	Advisory Services
<b>Investment Amount (USD)</b>	\$ 0.75 million
<b>Project Cost (USD)</b>	\$ 0.75 million



## Project Description

According to the IADB, the resources of this technical cooperation (TC) will support the Caribbean Countries Cluster of the IDB (CCB), as they design and execute innovative financial instruments, such as Debt for Climate/Nature and thematic bonds. The idea of the project is to apply lessons and build capacity to expand and adapt to all seven target countries of the ONE Caribbean Program. Innovative climate finance opportunities are essential for Caribbean countries facing increasing debt burdens. One promising avenue is the development of "green and blue bonds", which focus on funding climate as well as ocean-based climate resilience and sustainable marine projects. These bonds can attract private investment and provide new revenue streams while enhancing climate investments and promoting the protection of marine ecosystems. Another opportunity lies in leveraging blended finance mechanisms that combine public, private, and philanthropic funding to de-risk investments in climate adaptation projects. Additionally, debt-for-climate swaps, where a portion of a country's debt is forgiven in exchange for commitments to climate action, can alleviate fiscal pressures while promoting environmental sustainability. These innovative financial instruments are crucial for enabling Caribbean nations to enhance climate resilience without exacerbating their debt challenges.



## Investment Description

- Inter-American Development Bank (IADB)



## Contact Information

No contacts available at the time of disclosure

## ACCOUNTABILITY MECHANISM OF IADB

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## Bank Documents

- [Procurement Plan](#) [Original Source]
- [Results Matrix](#) [Original Source]
- [Technical Cooperation Document](#) [Original Source]
- [Technical Cooperation Abstract](#) [Original Source]
- [Terms of Reference](#) [Original Source]