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Financing the Future: Barbados Climate Finance Report 2012-2024

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Inter-American Development Bank
Climate Change and Sustainable Development

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Financing The Future



Barbados Climate Finance Report 2012-2024



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IDB Group

Executive Summary

The Inter-American Development Bank (IDB) has played a pivotal role in advancing climate finance across Latin America and the Caribbean (LAC), with Barbados emerging as a flagship case of innovation, ambition, and resilience. **Between 2012 and 2024, the IDB Group (IDBG) mobilized over USD 720 million in climate finance for Barbados—representing 50% of its total financing to the country during that period.** These resources have been strategically distributed: **68% toward adaptation (USD 490M), 17% toward mitigation (USD 123M), and 15% toward dual-benefit projects (USD 108M), and financed projects in urban planning, capital markets and financial institutions, resilience and risk management, and energy.** These have all been instrumental in supporting Barbados' transition toward a low-carbon, climate-resilient future.

Barbados, a Small Island Developing State (SIDS), faces acute climate vulnerabilities including rising sea levels, increased storm intensity, and chronic water scarcity. The country ranks among the top **20 most water-scarce nations globally, with only 285 m³ of freshwater available per capita annually.** Climate projections further indicate a **9% decline in annual precipitation and a 1.03°C increase in average temperatures by mid-century under high-emissions scenarios.**

In this context, the Government of Barbados (GoB) has adopted a comprehensive climate policy framework, including its Second Nationally Determined Contribution (NDC) operationalized through national initiatives such as the Roofs-to-Reefs Programme (R2RP), and the Barbados 2035 Investment Plan. Furthermore, the Bridgetown Initiative, championed by Prime Minister Mia Mottley, calls for a fundamental restructuring of the global financial architecture to better serve climate-vulnerable nations. As articulated in the Initiative's 3.0 version, "MDBs must develop a plan to provide an additional USD 300 billion a year in affordable, longer-term (30–50 year) financing for the sustainable development goals (SDGs), as well as for adaptation, and to expand the criteria used for allocating concessional financing to include climate vulnerability".

For this purpose, the IDB has led the support under which Barbados has pioneered innovative financial instruments to unlock climate finance at scale. Notably, the 2022 Debt-for-Nature Conversion (DFNC) and the 2024 Debt-for-Climate Transaction (DFCT) collectively generated over USD 150 million in fiscal savings. The DFCT savings are being invested in water resilience, including the South Coast Water Reclamation Project, which will produce 3.05 million m³ of reclaimed water annually and integrate 7 MW of solar photovoltaics (PVs) with battery storage, while the DFNC savings have been supporting the marine spatial planning process in Barbados.

This report underscores that Barbados is not only a unique recipient of climate finance but a global leader in climate innovation. It offers a replicable model for other SIDS and climate-vulnerable nations seeking to align national development investments with climate and biodiversity finance opportunities.

Acknowledgements

This publication is the result of a collaborative effort among numerous individuals committed to advancing climate finance and resilience in Barbados and across the Caribbean.

We extend our deepest gratitude to the Government of Barbados for its unwavering leadership and vision in climate action. In particular, we acknowledge the bold and transformative advocacy of Prime Minister Mia Amor Mottley, whose call to “stop tinkering at the edges and instead transform the system to meet the scale of the crisis” has inspired global momentum for reforming the international financial architecture.

We are especially thankful to the Ministry of Finance, Economic Affairs and Investment; the Ministry of Environment and National Beautification (MENB), Green and Blue Economy; the Barbados Water Authority (BWA); and the Coastal Zone Management Unit (CZMU) for their technical inputs, data sharing, and policy leadership throughout the preparation of this report.

We also recognize the valuable contributions of the IDB teams across sectors and instruments—particularly the Barbados Country Office, the Climate Change and Sustainability Sector, and IDB Invest—for their analytical support, project documentation, and strategic guidance. Special thanks go to the technical specialists and advisors who provided insights into the design and implementation of key operations, including the Debt-for-Nature Conversion, the Debt-for-Climate Transaction, and the South Coast Water Reclamation Project.

We are grateful to our partners at the Green Climate Fund (GCF), The Nature Conservancy (TNC), the European Investment Bank (EIB), and CIBC First Caribbean for their collaboration in structuring innovative financial instruments that have enabled Barbados to scale up its climate investments while maintaining fiscal sustainability.

Finally, we thank the many stakeholders—civil society representatives, private sector actors, educators, and community leaders—who participated in consultations, shared their perspectives, and continue to champion climate resilience on the ground. We also extend our appreciation to the publication designer for his professionalism and creative expertise, which helped bring this report to life in a clear and engaging manner.

This report is a testament to what is possible when ambition, innovation, and partnership converge. We hope it serves as a valuable resource for other SIDS and climate-vulnerable nations navigating similar challenges.

Foreword

The climate challenge poses an existential threat to Small Island Developing States. Barbados, in particular, stands at the forefront of regional efforts to build resilience, foster sustainability, and unlock the transformative potential of climate finance.

As a climate champion, Barbados has consistently underscored its unique vulnerabilities – rising sea levels, more intense weather events, and economic shocks that threaten hard-won development gains. For this country, building climate resilience is not a choice. It is essential for protecting livelihoods, economic stability, and the future of the island.

Recognizing this urgency, Barbados has taken bold steps toward a sustainable and climate-resilient development path. At the Inter-American Development Bank, we are proud to have supported this journey and remain deeply committed to continuing our efforts in close partnership with the Government. In fact, the IDB Country Strategy with Barbados 2025-2030 emphasizes the need for an efficient, innovative and inclusive approach to building climate resilience, by investing in sustainable infrastructure, strengthening disaster risk management and revolutionizing access to climate finance in a way that can be replicated to other SIDS. Together with a broad-based group of stakeholders, we have already begun Country Strategy implementation.

This report provides a consolidated overview of climate finance mobilized by the IDB in Barbados between 2012 and 2024, illustrating how our portfolio has steadily evolved to reflect stronger climate priorities. It also highlights the sectors where we have advanced critical investments from renewable energy and water security to coastal protection, marine ecosystems, and community-based resilience.

Importantly, the report shows how our financing has not only supported specific projects, but also helped unlock fiscal space, catalyze systemic change, and reinforce policy action. By presenting these investments in a clear and transparent manner, we hope

to provide policymakers and partners with a practical tool – one that outlines what has been mobilized, what has worked well, and how these lessons can inform future planning.

The progress captured in these pages reflects what is possible when governments, development institutions, and local actors act with urgency and purpose. Yet, it also reminds us that much more remains to be done. Through targeted financing, technical assistance, and policy support, the IDB remains committed to catalyzing inclusive, climate-smart growth that safeguards both people and planet.

Climate finance is not just a response to immediate risk; it is an opportunity. An opportunity to drive innovation, foster economic transformation, and ensure a just transition to a low-carbon future.

We are proud to walk this path with Barbados. It is our hope that this publication serves not only as a resource for policymakers, practitioners, and development partners, but also as a call to further action.

The road ahead requires bold leadership, innovative financing, and sustained collaboration. Together, we can ensure that Barbados continues to lead by example, toward a more resilient, sustainable, and prosperous future for all.



Ms. Carina Cockburn
Country Representative,
IDB Barbados

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Abbreviations

| | | | |
|-------|--|--------|--|
| AfDB | African Development Bank | LAC | Latin America and the Caribbean |
| AIIB | Asian Infrastructure Investment Bank | MDBs | Multilateral Development Banks |
| BAU | Business As Usual | MENB | Ministry of Environment and National Beautification (MENB), Blue and Green Economy |
| BBD | Barbadian Dollar | MRV | Monitoring, Reporting and Verification |
| BESF | Barbados Environmental Sustainability Fund | MSMEs | Micro, Small, and Medium-Sized Enterprises |
| BNEP | Barbados National Energy Policy | MSP | Marine Spatial Planning |
| CBIT | Capacity-building Initiative for Transparency | NCRIPP | National Coastal Risk Information Planning Platform |
| CF | Climate Finance | NDC | Nationally Determined Contribution |
| CS | Country Strategy | NOP | National Ocean Policy |
| CZMU | Coastal Zone Management Unit | NRW | Non-Revenue Water |
| DfCT | Debt for Climate Transaction | PBG | Policy based Guarantee |
| DfNC | Debt for Nature Conversion | PBL | Policy based Loan |
| EBRD | European Bank for Reconstruction and Development | PDP | Physical Development Plan |
| EE | Energy Efficiency | PSSEP | Public Sector Smart Energy Program |
| EEZ | Exclusive Economic Zone | PV | Photovoltaic |
| EIB | European Investment Bank | R2RP | Roofs-to-Reefs Programme |
| EMDEs | Emerging Markets; Developing Economies | RE | Renewable Energy |
| EV | Electric Vehicle | SCWRRF | South Coast Water Reclamation and Reuse Facility |
| GCF | Green Climate Fund | SCWRP | South Coast Water Reclamation Project |
| GDP | Gross Domestic Product | SDGs | Sustainable Development Goals |
| GEF | Global Environment Facility | SIDS | Small Island Developing States |
| GHG | Greenhouse Gas | SMEs | Small and Medium Enterprises |
| GoB | Government of Barbados | TC | Technical Cooperation |
| IDB | Inter-American Development Bank | TNC | The Nature Conservancy |
| IDBG | Inter-American Development Bank Group | UNFCC | United Nations Framework Convention on Climate Change |
| IG | Investment Grant | USD | United States Dollar |
| IPCC | Intergovernmental Panel on Climate Change | | |
| IRRP | Integrated Resource and Resiliency Plan | | |
| IsDB | Islamic Development Bank | | |



Chapter



1



Climate Finance

IDB's Commitment to Providing Climate Finance

The IDB Group (IDBG) is committed to improving lives in LAC, with a focus on addressing the region's vulnerabilities and unlocking its potential to foster transformative social and economic progress while actively combating climate change. Today, the IDB is the leading source of development financing for LAC, providing loans, grants, guarantees, and technical assistance, and conducting extensive research. The IDB maintains a strong commitment to achieving measurable results and the highest standards of integrity, transparency, and accountability.

To achieve the commitments outlined in the 2015 Paris Agreement, significant financial resources are required. Recognizing this, the IDB, under the IDBG Corporate Results Framework 2020-2023, committed to a climate finance target of 30% of total approved volume. "Climate finance" refers to the financial resources Multilateral Development Banks (MDBs) commit to development projects and the components that enable activities that mitigate and adapt to climate change in developing and emerging economies.



TABLE 1.1

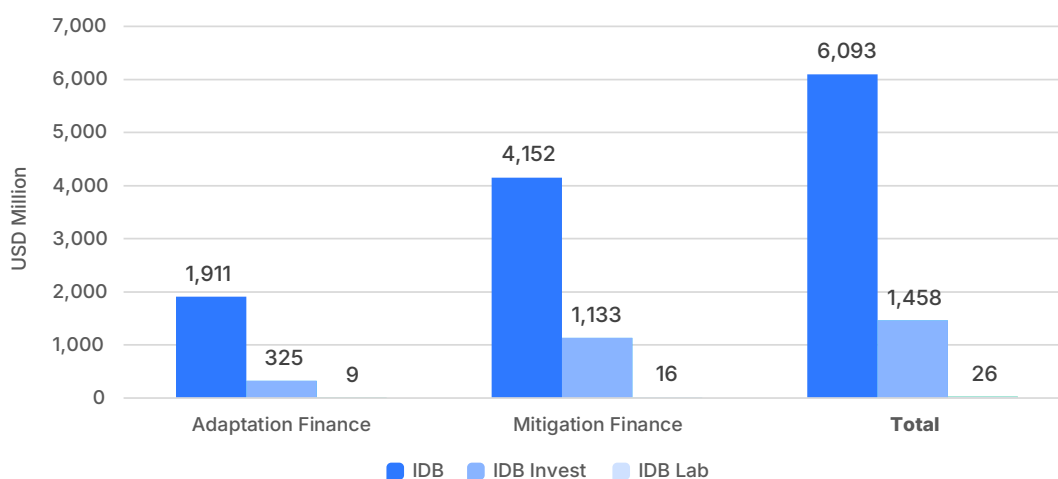
Climate Finance of The IDBG by Scope, 2023 (in \$ million)¹

In 2023, the IDBG approved USD 7.5 billion (IDB – USD 6.063 billion, IDB Lab – USD 0.026 billion and IDB Invest – USD 1.458 billion) in climate financing for LAC, accounting for 46% of the IDB's total approvals.² The IDBG tracks finance provided through loans, grants, TCs, guarantees and equity which are funded by the IDBG's own funds or by external resources managed by the IDBG.

| Inter-American Development Bank Group | Adaptation Finance | | Mitigation Finance | | Total | |
|---------------------------------------|--------------------|------------------------------------|--------------------|------------------------------------|--------------------|------------------------------------|
| | All Countries | Low & Middle Income Countries Only | All Countries | Low & Middle Income Countries Only | All Countries | Low & Middle Income Countries Only |
| | 2245 | 1 751 | 5301 | 4 118 | 7,547 ³ | 5 870 ⁴ |
| IDB | 1911 | 1 466 | 4152 | 3 296 | 6093 | 4 762 |
| IDB Invest | 325 | 277 | 1133 | 808 | 1458 | 1 085 |
| IDB Lab | 9 | 8 | 16 | 14 | 26 | 23 |

FIGURE 1.1

Climate Finance of The IDBG (All Countries - 2023)

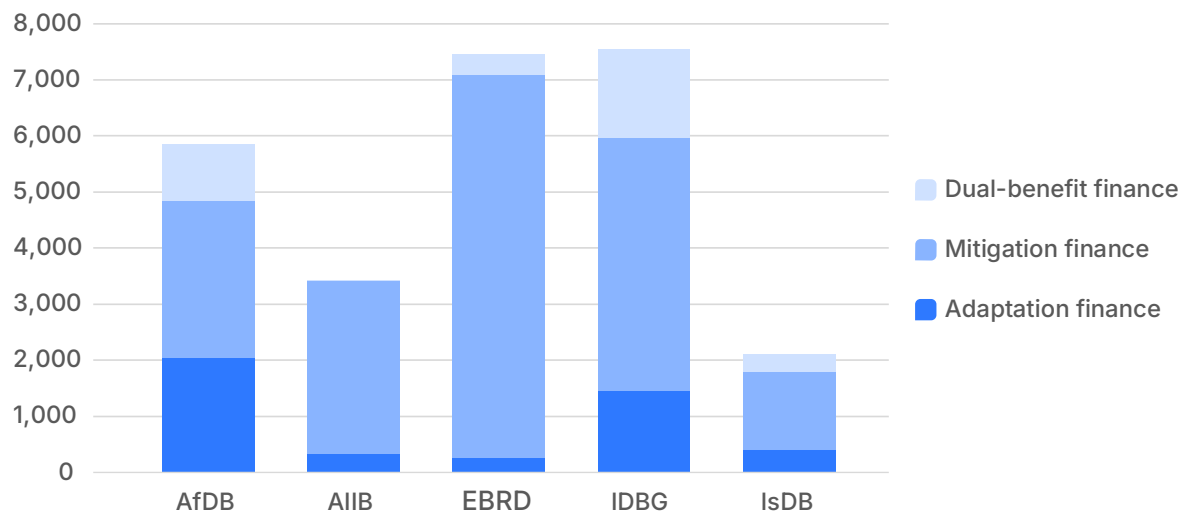


1 The economies are categorized by income group in accordance with the World Bank Group's classification dated June 2023. https://www.jsnp.or.jp/uploads/uploads/files/english/120th_World_Bank_list_of_economies.pdf

2 <https://publications.iadb.org/en/publications/english/viewer/2023-Joint-Report-on-Multilateral-Development-Banks-Climate-Finance.pdf>

3 The IDBG reported USD 1,246 million in dual climate finance and split the amount equally under mitigation and adaptation to fit under the reporting categories of other MDBs.

4 The IDBG reported USD 1,246 million in dual climate finance and split the amount equally under mitigation and adaptation to fit under the reporting categories of other MDBs.

FIGURE 1.2
Climate Finance by MDB, 2023⁵

TABLE 1.2

| MDB | Adaptation finance | Mitigation finance | Dual-benefit finance | Total |
|---|--------------------|--------------------|----------------------|---------------|
| African Development Bank (AfDB) | 2 053 | 2 796 | 999 | 5 849 |
| Asian Infrastructure Investment Bank (AIIB) | 331 | 3 093 | 10 | 3 434 |
| European Bank for Reconstruction and Development (EBRD) | 248 | 6 844 | 371 | 7 464 |
| Inter-American Development Bank Group (IDBG) | 1 459 | 4 513 | 1 573 | 7 545 |
| Islamic Development Bank (IsDB) | 405 | 1 385 | 308 | 2 098 |
| TOTAL | 4 497 | 18 632 | 3 261 | 26 390 |

⁵ For 2023, AfDB, AIIB, EBRD and IDBG have tracked dual-benefit figures separately, while other MDBs have split the dual-benefit finance between adaptation and mitigation, according to their internal systems. There is no double-counting in either approach.

Climate Finance in the Caribbean

SIDS are recognized among the most vulnerable regions in the world, facing a range of interconnected challenges - exposure to climate-related risks, smaller tourism-reliant economies, limited fiscal space and high levels of debt. SIDS are highly vulnerable to the impacts of climate change, including extreme heat, sea level rise, extreme weather events, and natural disasters like hurricanes, tropical storms, droughts and flooding. These environmental risks exacerbate economic and social vulnerabilities as natural disasters threaten income and properties, and can cause economic contraction, higher inflation and debt and other fiscal challenges. Against this backdrop, external financial support is essential in building resilience within natural, social and economic systems.

The 2015 Paris Agreement is the overarching framework under which each country has developed their NDCs. Caribbean SIDS were the first among the global community to ratify the Paris Agreement, and many have set out ambitious climate plans in their NDCs.

Barbados submitted its first NDC in 2015 and in 2021⁶, submitted its updated NDC with enhanced ambition and an increased mitigation target. The NDC recognizes Barbados' limited fiscal space and high debt-to-Gross Domestic Product (GDP) ratio as a significant hurdle in financing climate action, as well as the difficulties of SIDS, particularly higher income SIDS (such as Barbados), in accessing international financial assistance.

In this context, the **Bridgetown Initiative for the Reform of the Global Financial Architecture** was developed by the GoB and launched in 2022. This initiative aims to address the urgent climate and economic challenges faced by vulnerable developing countries by reforming international finance to better support these nations in investing in climate action and dealing with debt crises. The first iteration of the Bridgetown Initiative (2022) introduced the framework and set out 3 initial proposals. These were:



1. Provide emergency liquidity to stop the debt crisis in its track;
2. Expand multilateral lending to governments by USD 1 trillion;
3. Activate private sector savings for climate mitigation and fund reconstruction after a climate disaster through new multilateral mechanisms.⁷

The later iterations (Bridgetown Initiative 2.0 in 2023 and 3.0 in 2024) provide a more

⁶ https://unfccc.int/sites/default/files/resource/NDC%20Survey%20Report%202020-Caribbean_Jan2021.pdf

⁷ <https://pmo.gov.bb/wp-content/uploads/2022/10/The-2022-Bridgetown-Initiative.pdf>

comprehensive proposal with more specific financial instruments, debt relief, international cooperation and policy recommendations. These includes more concrete mechanisms for debt restructuring and reworking global debt rules, emphasizing debt swaps and proposing new financial products to better access climate funds. For MDBs, the Bridgetown Initiative 3.0 calls for “MDBs to develop a plan to provide an additional USD 300 billion a year in affordable, longer-term (30-50 year) financing for the SDGs, as well as for adaptation, and to expand the criteria used for allocating concessional financing to include climate vulnerability.” In this context, the IDB leadership under the Debt for Nature (2022) and Debt for Climate (2024) Conversions, approved in Barbados, are a concrete example of how the financial system must evolve to support SIDS and developing states while balancing debt and resilience challenges.

In the Caribbean, the financial implications of climate change are projected to grow significantly. Without enhanced mitigation and adaptation measures, climate-related damage could increase from an estimated 5% of GDP in 2025 to over 20% by the end of the century⁸. By focusing on systemic reform and innovative financing solutions, the Bridgetown Initiative underscores the importance of international cooperation and strategic investments to support Caribbean SIDS in navigating these complex challenges. This collaborative approach can help strengthen resilience and foster sustainable development for the long term.

8 <https://www.annualreviews.org/content/journals/10.1146/annurev-environ-012320-083355>



Chapter

2

Barbados Context

Country Background

The island of Barbados is located within the Lesser Antilles in the Caribbean. The country has an area of 439 km² with 97 kilometers of coastline and an Exclusive Economic Zone (EEZ) 400 times larger than its land area, estimated at 167,000 sq. km. Its terrain is mainly flat, rising gently to a central highland region. Geologically, Barbados is not volcanic (unlike neighboring Caribbean islands) but is instead composed mainly of limestone rock.

The island generally experiences two seasons: a wet season from June to November and a dry season from December to May. There are no major rivers or surface streams, and the country therefore relies on groundwater as its primary water source.



Current Climate Policies & Targets

The GoB has made significant strides toward advancing low-carbon, sustainable development. The Paris Agreement (2015) aims to keep global warming well below 2°C, while pursuing efforts to keep warming below 1.5°C. Parties under the Agreement are requested to submit new or updated NDCs every 5 years, starting in 2020.

Barbados submitted its Intended Nationally Determined Contributions (INDC) in 2015 (becoming the first NDC with the signing and ratification of the Paris Agreement by Barbados in 2016) and an Updated NDC in 2021. The GoB has also integrated adaptation into its policy framework, embedding resilience measures across various sectors, including water resources, disaster management, and energy systems.

2015 INDC

- Aimed to achieve an economy-wide reduction in greenhouse gas (GHG) emissions of 44% compared to its business-as-usual (BAU) scenario by 2030 (interim target of 37% by 2025)
- Strategies included transitioning to Renewable Energy (RE) sources, enhancing Energy Efficiency (EE), and diverting waste from landfills
- Prioritized adaptation in various sectors including agriculture, fisheries, tourism, water, human health, coastal resources and human settlements

2021 Update of the First NDC

- Increases the ambition of the 2015 NDC. Conditional mitigation targets for 2030 consists of:
 - A 95% share of RE in the electricity mix
 - 100% electric or alternatively fueled vehicles in the passenger fleet
 - A 20% increase in EE across all sectors as compared to BAU
 - A 29% decrease in industrial, commercial and residential fuel consumption as compared to BAU
 - A 20% decrease in waste emissions
- Emphasizes adaptation and the integration of climate considerations into national development planning, including the 2021 Physical Development Plan (PDP) and the R2RP.
- Includes measures to increase resilience in key sectors (water resources, disaster risk reduction and coastal zone)

Planning Instruments

| | |
|--|---|
| <p>Bridgetown Initiative</p> | <p>Unveiled in 2022, the Bridgetown Initiative has helped to lead a paradigm shift in the discourse on scaling capital flows and reshaping the financing system to achieve the SDGs and spur climate action. There is wide convergence on its tenets, including in the CVF-V20 Accra-Marrakech Agenda and the principles of the Global Climate Financing Framework. The Bridgetown Initiative is not a dialogue about numbers, but an agenda for lives of dignity for billions across the globe.</p> |
| <p>Physical Development Plan (PDP)⁹</p> | <p>The PDP 2023 (Amended) is now in the final stages of adoption. The Plan sets out the Government's vision for developing Barbados and provides a spatial framework to help deliver the government's mandate. A review of the PDP Amended 2003 was completed in 2017 and produced a Draft PDP Amended 2017 (Draft PDP Amended 2017). In the intervening period, several circumstances and events occurred that necessitated the review and targeted update of the Draft PDP Amended 2017 to ensure its currency and applicability to changed circumstances in Barbados. The PDP 2023 (Amended) embodies further changes to the draft document that was made available to the public as a 2017 amendment.</p> |
| <p>Roofs to Reefs Programme (R2RP)</p> | <p>The R2RP operationalizes the PDP and allows for public investment toward achieving its goals. Its key objectives include strengthening the resilience of low- and middle-income homes to extreme weather, increasing freshwater storage and efficiency, reducing emissions through RE, mitigating marine pollution via sustainable land practices, fortifying critical infrastructure like utilities and roads, and restoring vulnerable coral reefs along the island's west and south coasts.</p> |
| <p>National Climate Change Policy (2012)¹⁰</p> | <p>The National Climate Change Policy (2012) is designed to create a national process for adapting to climate change impacts and reducing GHG emissions over the short, medium and long term, aligning with the overall goal of sustainable development.</p> |

9 <http://www.townplanning.gov.bb/pdp/Downloads/files/PDP-August-2023.pdf>

10 No public document available.

Barbados 2035 a plan for investment in prosperity & resilience (2024)¹¹

The foundation of the Investment Plan rests on a comprehensive consultation process, drawing insights from more than 70 interviews with Ministries, agencies and other key stakeholders. Each consulted Ministry and agency identified their top priorities for investment over 10 years upto 2035. These projects were scored based on four criteria: feasibility, contribution to targets for prosperity and resilience, existing Government commitment or Ministerial priority, and innovation, with high scoring projects included in the Plan. Project costs were estimated using a diverse range of inputs: figures and insights from the Government and the private sector, if available, as well as data from sources such as the International Monetary Fund (IMF), World Bank, private sector and other public data on similar investments.

Total funding for the Plan was estimated at USD 11.6 billion by 2035, of which the majority - over USD 6.6 billion - would provide an opportunity for private investors. Public funding requirements are estimated at USD 5 billion over the next 10 years.

The plan has 6 pillars for its vision: 1. Become a clean and beautiful large ocean-state, championing sustainable development locally and globally – with the goal of all domestic activities becoming 100% sustainable by 2035. 2. All Barbadians will feel empowered and engaged in the social, economic, and cultural development of the country as confident, creative, compassionate and entrepreneurial citizens. 3. Ensure that every Barbadian has equitable and reliable access to clean water and nutritious food that are affordable. 4. Create a society that prioritizes wellness and happiness. Improve public health and safety, leading to a 50% reduction in new cases of noncommunicable diseases and a 50% reduction in crime. 5. Empower and enfranchise all Barbadian workers and families by creating opportunities for ownership and wealth creation that enable Barbadians to take better care of themselves and each other and reduce the rate of poverty by 50%. 6. Transform Barbados to be a high-functioning, resilient society with seamless access to services and meaningful digital inclusion for all Barbadians.

Barbados economic Recovery and Transformation (BERT) 2

The initial BERT program (BERT 1.0) focused on fiscal consolidation and debt reduction, while the BERT 2.0 phase was adopted during the COVID-19 pandemic to also incorporate green transformation, private sector mobilization, and social protection reforms to mitigate the pandemic's impact. It remains supported by the IMF under its Extended Fund Facility (EFF) and Resilience and Sustainability Facility (RSF) arrangements.

¹¹ <https://pmo.gov.bb/wp-content/uploads/2024/11/Barbados-Investment-Plan.pdf>

Sector Policies

| | | |
|--|--|--|
| <p style="text-align: center;">ENERGY</p> | <p style="text-align: center;">Barbados National Energy Policy (BNEP)¹²</p> | <p>The BNEP outlines the path to achieving 100% RE and carbon neutrality by 2030, through the expansion in use of solar and wind energy, biofuels and energy storage and the full electrification of the passenger vehicle fleet.</p> <p>It is referenced in the 2021 NDC as the framework for achieving NDC mitigation targets.</p> |
| | <p style="text-align: center;">Barbados Action Plan for IRRP Action Plan and Roadmap – Final Report¹³</p> | <p>The IRRP will enable an integrated assessment of demand and supply-side options, assist the Ministry of Energy, Small Business and Entrepreneurship (MESBE) in optimizing energy services and minimizing electricity costs for consumers, and ultimately develop the Ministry’s capacity to undertake the IRRP process on its own. The IRRP has been developed with the BNEP 2019 -2030 in mind.</p> <p>The policy aims to achieve a modern, efficient, diversified and environmentally sustainable energy sector for the island state.</p> |
| <p style="text-align: center;">WATER</p> | <p style="text-align: center;">Water Reuse Policy 2018¹⁴</p> | <p>The Water Reuse Policy facilitates the use of reclaimed, storm and non-potable water in urban, agricultural and industrial sectors in a safe and environmentally sustainable manner. This expands the sources of potable water to address national water scarcity.</p> |

12 <https://energy.gov.bb/publications/barbados-national-energy-policy-bnep/>

13 <https://energy.gov.bb/wp-content/uploads/2024/10/Barbados-Action-Plan-for-IRRP-ActionPlan-and-Roadmap-Final-Report-v2.1-1.pdf>

14 <https://www.barbadosparliament.com/uploads/sittings/attachments/Water%20Reuse%20Bill,%202023.pdf>

| | | |
|---------|--|--|
| COASTAL | Integrated Coastal Zone Management Plan (ICZM) 2020-2030 ¹⁵ | Guides the management of coastal resources, embedding climate and disaster risk resilience. The plan emphasizes adaptation strategies that offer the most effective responses to challenges intensified by climate change. |
| | Comprehensive Disaster Risk Management (DRM) Policy 2022 ¹⁶ | The DRM aims to increase the resilience of people and communities to disasters and climate risks and impacts by strengthening governance and national systems and developing and mainstreaming Comprehensive Disaster Management (CDM) policies and programs. |
| | Marine Pollution Control Act 1998 ¹⁷ | This Act provides for the prevention, reduction and control of pollution of the marine environment from any source. It prohibits the introduction of specified pollutants into the land, water and airspace of Barbados and its territorial waters, whether arising from land-based sources, airborne sources, sea-bed activities or dumping activities. |

¹⁵ <https://coastal.gov.bb/iczm-policy-and-legislation/integrated-coastal-zone-management-plan/>

¹⁶ https://dem.gov.bb/public/downloads/BARBADOS_NATIONAL_CDM_POLICY.pdf

¹⁷ <https://faolex.fao.org/docs/pdf/bar18055.pdf>

Overview of Adaptation and Resilience Challenges in Barbados

Of the numerous impacts of climate change expected, increases in atmospheric temperature, sea level rise (and its attendant impacts, including erosion, inundation, and saline intrusion), and changes in weather patterns (notably in the amount and seasonality of rainfall, flooding, droughts, and storm intensity) are expected to pose significant challenges to Barbados.

Temperatures in Barbados are projected to increase under all emissions scenarios, with median annual mean temperatures expected to rise by 1.03°C under a high-emissions scenario (Shared Socioeconomic Pathway 3–7.0, SSP3-7.0) by the 2040–2050 period.

Changes in rainfall are less certain; however, most scenarios indicate an expected reduction in annual precipitation across Barbados by 2040–2059. Under a high-emissions scenario (SSP3-7.0), annual precipitation is expected to decline by approximately 9 percent by mid-century.

At the sector level, climate change is likely to significantly exacerbate water scarcity due to reductions in water resources resulting from groundwater contamination caused by flooding, as well as soil and pollutant infiltration and saline intrusion. This situation is especially alarming for Barbados, given its ranking among the world's most water-scarce countries. Agricultural production is also expected to be adversely affected by droughts, flooding, and storm damage.¹⁸

¹⁸ Caribbean Community Climate Change Centre, 2024

Under all emissions scenarios, temperatures are expected to increase. Projections under a high emissions scenario (Shared Socioeconomic Pathway 3-7.0 3-7.0) show a mean annual temperature increase to 27.47°C (27°C to 28.07°C) by 2050, while precipitation is expected to decrease annually by approximately 9% by mid-century¹⁹. The most severe drop in precipitation is forecast to be during May – July at the end of the dry season but drought conditions are expected to increase throughout the year.

FIGURE 2.1 Projected Average Mean Surface Air Temperature Barbados (1995-2014) Multi- Model Ensemble

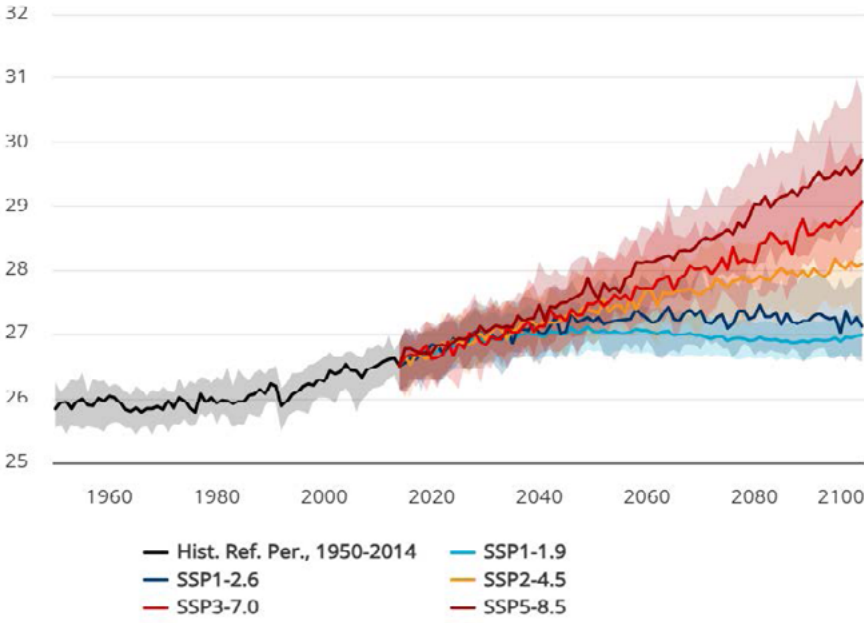
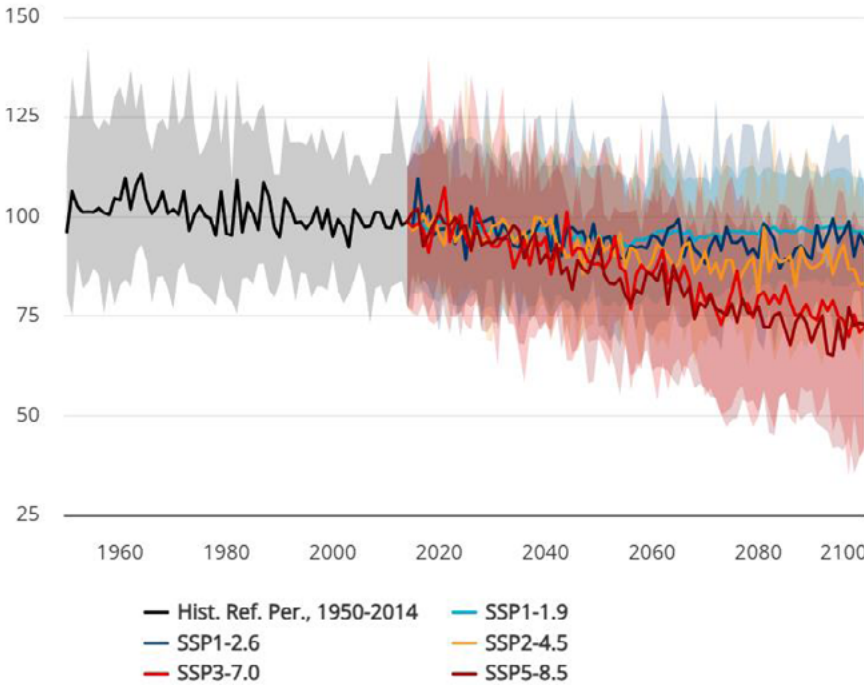


FIGURE 2.2 Projected Precipitation Percent Change Barbados (1995-2014) Multi- Model Ensemble



19 World Bank Climate Change Knowledge Portal. Accessed via: <https://climateknowledgeportal.worldbank.org/country/barbados>

Barbados' geographic position places it directly along the Atlantic hurricane belt, exposing the island to many of the tropical systems that form in the region. As a result, Barbados faces repeated threats from extreme weather, including heavy rainfall, strong winds, storm surges, and coastal flooding.

Over the past decade and a half, the island has been affected by a number of major storms, such as Hurricanes Tomas (2010), Ernesto (2012), Harvey (2017), and Elsa (2021), along with tropical storms Matthew, Maria, Kirk, and Gonzalo (2020). These events have caused widespread destruction and severe disruption to livelihoods across the island.

Because of the island's coastal geography, Barbados can experience damaging effects even when storms do not make direct landfall. For instance, Hurricane Beryl in 2024 passed roughly 150 kilometres south of Barbados, but still produced intense flooding and widespread structural damage. The fishing sector was particularly hard hit, with about three-quarters of the active fleet sustaining damage.²⁰

The island is prone to flooding. In addition to storm-related inundation, heavy rains during the wet season frequently overwhelm drainage systems, especially in low-lying coastal zones. These areas are increasingly exposed to sea level rise and storm surges, while inadequate stormwater management infrastructure compounds the risk of flash floods. In the Scotland District, intense rainfall can also trigger small landslides, disrupting transportation routes, damaging farmland, and threatening homes. Barbados' coasts are further challenged by the growing influx of sargassum seaweed, which affects both tourism and fisheries.

Water scarcity adds another layer of climate vulnerability. Barbados is ranked among the fifteen most water-scarce nations in the world²¹, making droughts particularly consequential. Shifts in rainfall patterns have intensified dry periods, placing additional stress on limited freshwater resources. The 1997 drought had major repercussions for agriculture and water supply, particularly in higher elevations, and drought conditions in 2008–2009 again highlighted the island's susceptibility.

GHG Emissions Profile – Barbados

Barbados has submitted two GHG inventories which span the period 1990-2010. The First National Communication included an inventory for the years 1990, 1994 and 1997 and was submitted to the United Nations Framework Convention on Climate Change (UNFCCC) in 2001. The second official GHG inventory was produced under the Second National Communications Report to the UNFCCC and encompassed 2000-2010 with a base year of 2008. Although the national inventory has not since been updated, more up-to-date emissions estimates for specific sectors were developed during the preparation of the 2015 and 2021 NDCs. These estimates allow the identification of the main sources of national emissions from key Intergovernmental Panel on Climate Change (IPCC) sectors and provide the basis by which mitigation targets are set.

20 <https://www.bbc.com/news/articles/cn7rk0ym68jo>

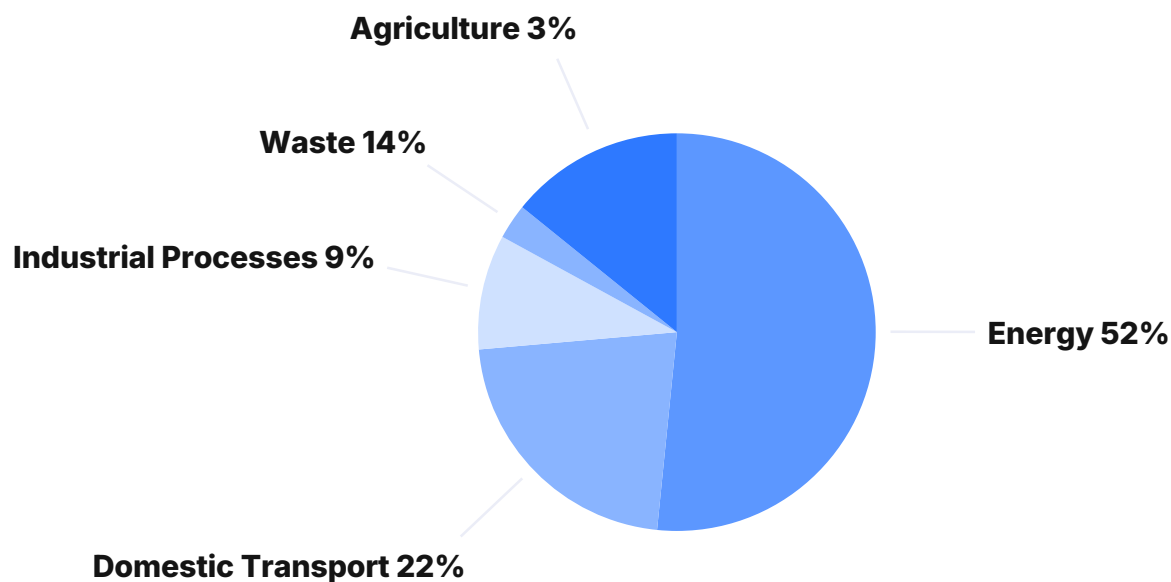
21 According to UN-Water (2018) Barbados is among the most water scarce countries in the region and fifth among the top 22 in the world https://www.unwater.org/sites/default/files/app/uploads/2019/06/SDG6_Indicator_Report_642_Progress-on-Level-of-Water-Stress_2018_ENGLISH_LR.pdf

TABLE 2.1

2008 Base Year Emissions by Sector

In 2008, Barbados' emissions contributed an estimated 2,123 gigagrams (Gg) of carbon dioxide equivalent (CO₂e), with primary emission sources originating from the energy, transportation, and waste sectors, while industrial processes and agriculture made smaller contributions. The energy production sector is the largest source of GHG emissions in Barbados. Electricity generation is almost entirely fossil fuel-based, relying primarily on imported diesel and fuel oil, which contribute significantly to carbon dioxide (CO₂) emissions.

| Sector | Emissions (Gg CO ₂ e) |
|-----------------------------------|----------------------------------|
| Energy (Production & Consumption) | 1120 |
| Domestic Transport | 478 |
| Industrial Processes | 203 |
| Agriculture | 62 |
| Waste | 308 |
| LULUCF | -49 |

FIGURE 2.3**2008 Base Year Emissions by Sector**

Transportation is the second largest source of emissions. The national vehicle fleet is predominantly powered by gasoline and diesel, and despite recent advances²², there is minimal penetration of electric vehicles (EVs). The country also has a relatively high vehicle-to-population ratio, based on the individual ownership of about 120,000 vehicles in 2022 and a population of 282,318, establishing a ratio of 425. The highest vehicle-to-population ratios are found in countries like The Bahamas (650 vehicles per 1,000 people), Antigua and Barbuda (598), and Trinidad and Tobago (582), indicating the need to foster public and sustainable transportation options.

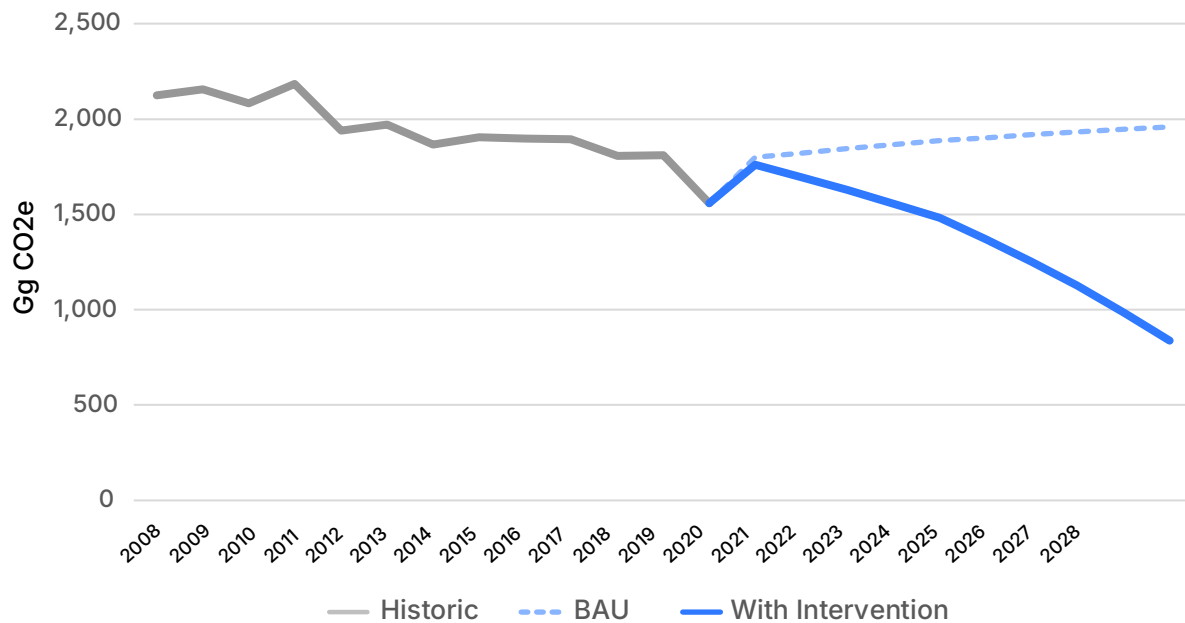
The waste sector also contributes significantly to the national GHG inventory, particularly through methane, as well as nitrous oxide emissions from solid waste disposal and wastewater treatment. Barbados has one main sanitary landfill, the Mangrove Pond Landfill, which handles the bulk of the island's municipal solid waste. The Sustainable Barbados Recycling Centre (SBRC) is located adjacent to the landfill and processes the island's solid waste with the aim of diverting waste and prolonging the life of the landfill. The SBRC processes around 1,000 tons of waste daily and successfully diverts approximately 70% of this material from being landfilled²³. As a result, most emissions from the waste sector stem from wastewater treatment where limited treatment systems, such as septic tanks, can lead to methane and nitrous oxide emissions.

22 In an effort to accelerate the transition to cleaner transportation, the GoB introduced a two-year excise and value-added tax (VAT) holiday for electric vehicles starting April 1, 2022. This incentive was extended for an additional two years, now set to expire in March 2026. In parallel, tariff rates for alternative energy vehicles, including hybrids, were reduced to encourage broader adoption of low-emission technologies. These measures are part of Barbados' broader climate policy agenda under the Barbados Economic Recovery and Transformation (BERT 2022) plan, supported by the IMF's Extended Fund Facility and Resilience and Sustainability Facility. International Monetary Fund. (2025). Barbados: Fifth Reviews Under the Extended Arrangement Under the Extended Fund Facility and the Arrangement Under the Resilience and Sustainability Facility. *IMF Country Report No. 25/153. <https://doi.org/10.5089/9798229015653.002>

23 https://blogs.iadb.org/caribbean-dev-trends/en/reducing-reusing-recycling-and-recovering-waste-the-bajan-way/?utm_source=chatgpt.com

In line with the Updated 2021 NDC goal, which seeks to achieve an economy-wide reduction in gross GHG emissions of 70% by 2030, targets are set for 2025 and 2030, and emissions are projected against BAU and “with interventions” scenarios. With interventions aligned to the NDC, GHG reductions are expected in the energy, transport and waste sectors. The greatest reduction is expected in the energy production sector with a shift to RE sources, namely solar, while increased EE is likely to lead to reductions in energy consumption. Under transport, the country intends to shift to a 100% electric or alternatively fueled vehicle fleet which would substantially reduce emissions from the transport sector. The NDC also includes a 20% decrease in waste emissions which will be achieved by investing in waste to energy facilities as well as upgrading wastewater treatment systems.

FIGURE 2.4 Economy Wide GHG Emission Projections



It is important to underline that Barbados' contribution to global GHG emissions is minimal, representing less than 0.01% of the total emissions. However, it remains essential for the country to identify and monitor its GHG emissions in order to establish the foundation for potential carbon market schemes and to tap into additional climate finance resources.

Barbados submitted its First National Communication to the UNFCCC on 30 October 2001, marking its first effort to calculate anthropogenic GHG emissions and removals by sinks for the years 1990, 1994, and 1997, based on the IPCC Revised 1996 Guidelines for National GHG Inventories. This process highlighted the gaps in institutional arrangements and methodologies for data collection required for the preparation of national GHG inventories, which have since been marginally reviewed. It is in this context that the IDB is supporting the implementation of the Capacity-building Initiative for Transparency (CBIT) project "Strengthening Institutional and Technical Capacity for Barbados to meet the transparency requirements of the Paris Agreement". This follows up on the conclusions of the First Update of the country's NDC and underscores the continuous need for a complete and robust GHG inventory.

Chapter

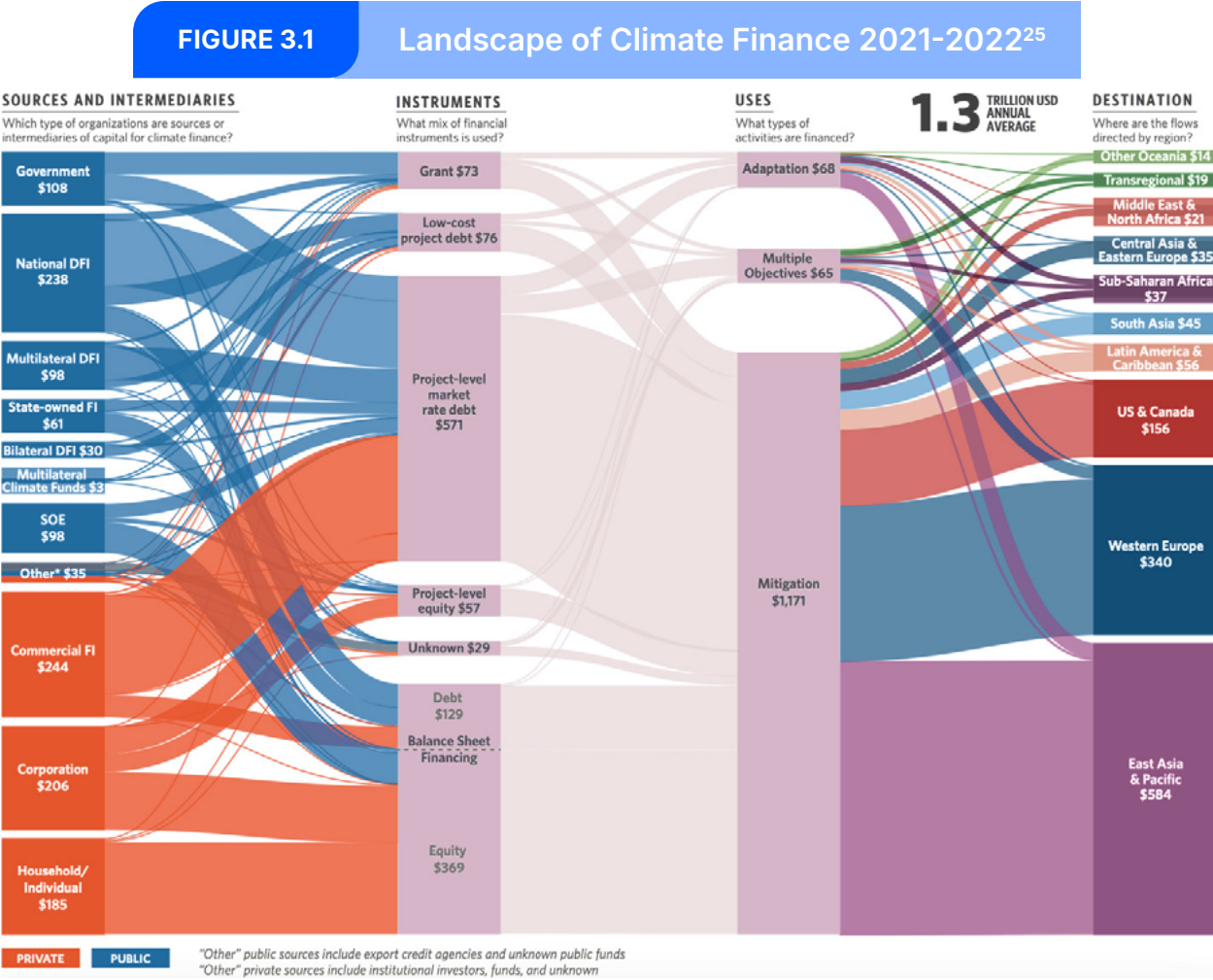
3



Overview of Methodology for Tracking Climate Finance

Defining Climate Finance

Climate finance refers to local, national or transnational financing—drawn from public, private and alternative sources of financing—that seeks to support mitigation and adaptation actions to address climate change.²⁴



The Convention, the Kyoto Protocol and the Paris Agreement call for financial assistance from Parties with greater financial resources towards those that are less endowed but more vulnerable. This recognizes that the contribution of countries to climate change and their capacity to prevent it and cope with its consequences vary enormously. Climate finance is necessary for mitigation, because large-scale investments are required to significantly reduce emissions. Climate finance is equally important for adaptation, as significant financial resources are needed to adapt to the adverse effects and reduce the impacts of a changing climate.

24 <https://unfccc.int/topics/introduction-to-climate-finance>

25 CPI. 2024. Global Landscape of Climate Finance 2024: Insights for COP 29. Available online: <http://climatepolicyinitiative.org/publication/global-landscape-of-climate-finance-2024>

Climate finance is critical to achieving the required low-carbon and climate-resilient investment; nonetheless, it only represents 1% of global GDP, while some estimates for emerging markets and developing economies (EMDEs) suggest that specific countries might have to allocate around 6.5% of their GDP by 2030 (IHLEG, 2022)²⁶.

From 2018 to 2022, climate finance doubled from USD 674 billion to USD 1.46 trillion²⁷, which underlines the economic case for continuing on such a trajectory. However, given the urgency of accelerating progress to keep global warming within the 1.5°C target of the Paris Agreement, annual investments will need to reach approximately USD 7.4 trillion by 2050 (CPI, 2024a). These figures must also be considered in comparison to the economic damage expected under a BAU scenario.

Joint MDB approach on Climate Finance Tracking

MDBs and representatives of the International Development Finance Club (IDFC) have been collaborating to align their climate finance reporting methodologies, aiming to enhance transparency and ensure greater comparability. In this regard, the agencies have agreed on the Common Principles and methodologies for both climate change adaptation and mitigation finance tracking, which establish the parameters for identifying and estimating climate finance and serve as a guiding framework for reporting across agencies.

Climate Adaptation Finance Tracking

The climate adaptation methodology adopts a location-specific, granular and conservative approach. Adaptation finance is tracked only for project activities that contribute to or promote adaptation, and a three-step approach is used to assess climate adaptation finance. This three-step approach requires:

1. Setting out the project's context of vulnerability to climate change.
2. Making an explicit statement of the intent of the project to reduce the climate change vulnerabilities identified.
3. Articulating a clear and direct link between specific project activities and the climate change vulnerability identified in Step 1.

Adaptation finance can be estimated using one of the following two approaches:

Incremental approach – where the additional costs associated with the activities required to adapt the project to climate change are estimated and compared to a baseline scenario in which the project achieves its goals without accounting for physical climate risks.

Proportional approach - estimates adaptation finance as a share of the total MDB funding that relates to adaptation activities within a project. This estimate can be guided by credible

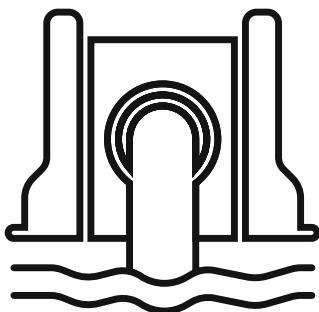
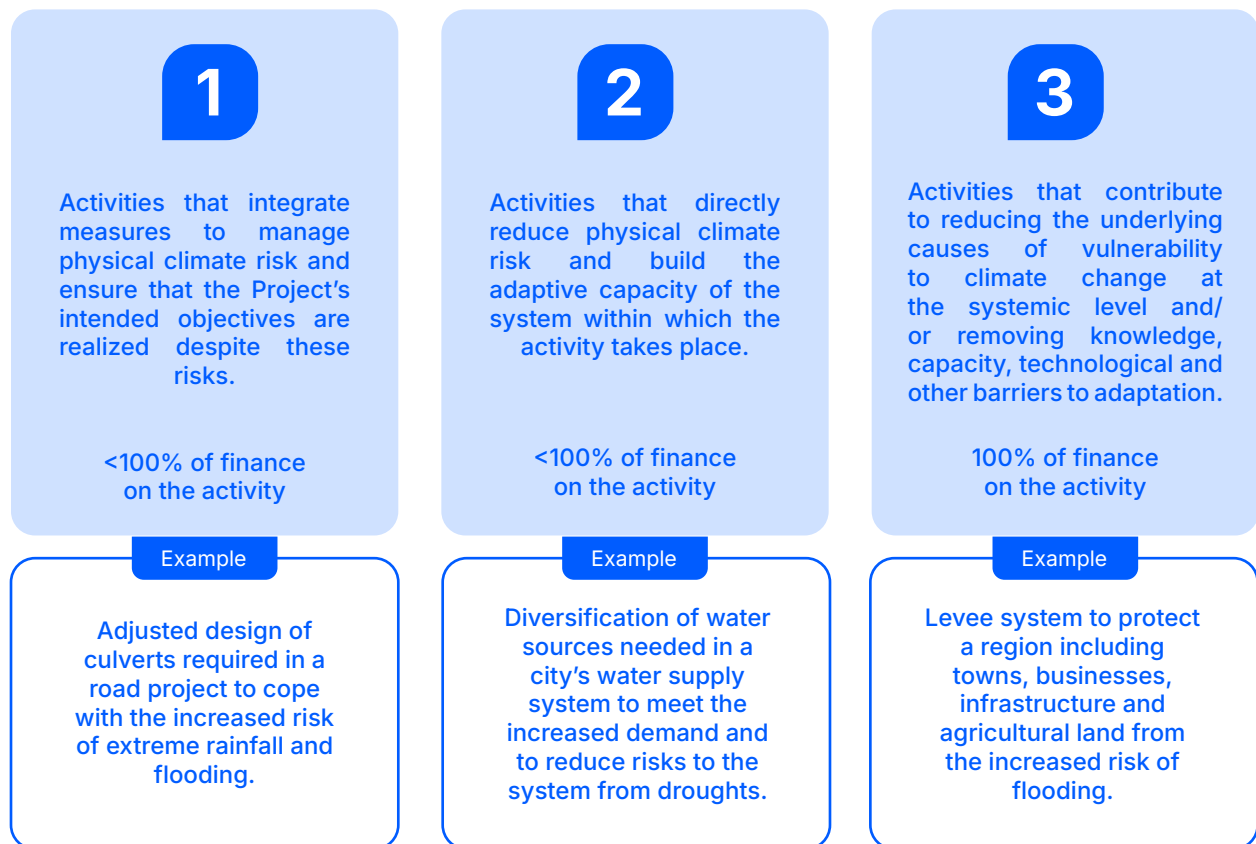
²⁶ <https://www.lse.ac.uk/granthaminstitute/wp-content/uploads/2022/11/IHLEG-Finance-for-Climate-Action.pdf>

²⁷ *ibid.*

sources such as cost assessments from similar projects, sector-specific expert insights, and supporting details on the assumptions and calculations involved.

Adaptation finance tracking can take place across a range of activities. Investments can be categorized as either Type 1, 2 or 3, as shown below:

Types of Adaptation Projects

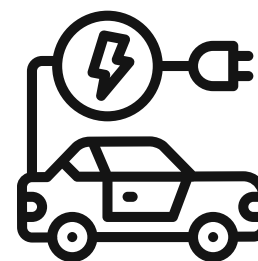
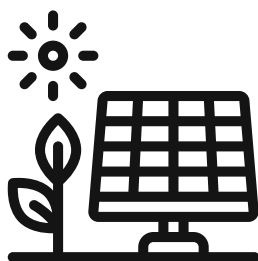
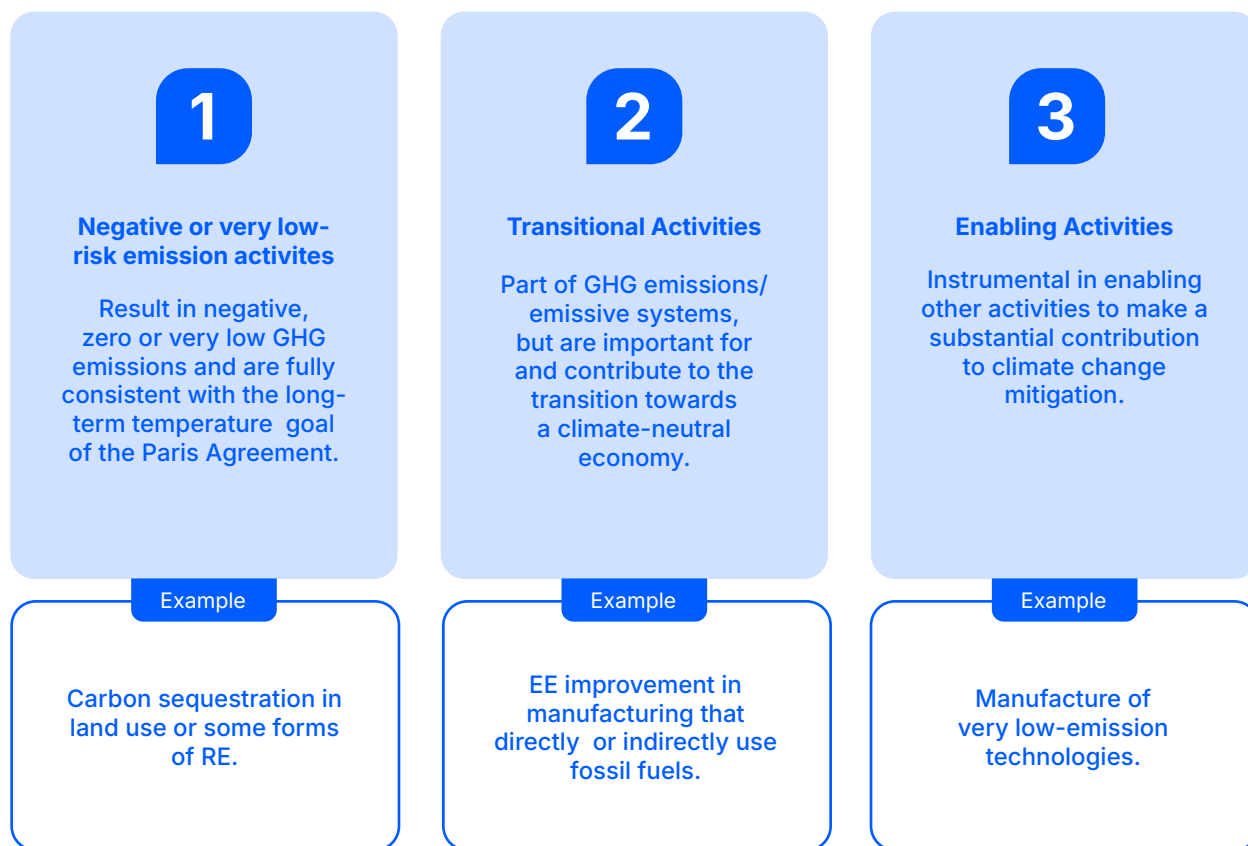


Climate Mitigation Finance Tracking

Under the MDB Common Principles for Climate Mitigation Finance Tracking methodology, an activity qualifies as climate change mitigation if it significantly contributes to stabilizing GHG concentrations in the atmosphere—either by avoiding or reducing emissions or enhancing their sequestration—in a manner aligned with the long-term temperature goal of the Paris Agreement to prevent harmful human impact on the climate system.

These can involve 3 categories of climate change mitigation activities, as described below:

Classification of Eligible Activities



To guide the classification of mitigation activities, the MDB methodology has developed a positive list of eligible activities, considering only activities on the list as eligible for climate mitigation finance. This list is categorized by sector and encompasses energy; mining and metal production for climate action; manufacturing; agriculture, forestry, land use and fisheries; water supply and wastewater and solid waste management; transport; buildings, public installations and end use EE; information and communications technology (ICT) and digital technologies; research, development and innovation; and cross-sectoral activities.

It is important to note that certain MDBs consider a third category of climate finance. The IDB recognizes certain activities under a “dual financing” approach when those activities support both mitigation and adaptation simultaneously. This applies

only when, in line with the Joint MDB methodologies, the activity independently meets the criteria of both taxonomies. On the one hand, it significantly contributes to decarbonization (mitigation); and on the other, it demonstrates a clearly identified climate vulnerability context, an explicit intent to address that vulnerability, and a direct link between the activity and the identified climate risk (adaptation). Dual financing is only used in cases where the nature of the activities does not allow a clear separation between mitigation and adaptation, often in policy-based loans where budget allocations do not allow disaggregation between the two contributions.²⁸



28 Not all MDBs report on volumes of climate finance that have dual, simultaneous benefits. In 2023, AfDB, AIIB, EBRD, IDBG and IsDB did.

Chapter

4



Climate Finance Overview of IDB Operations in Barbados

Climate Finance Overview in IDB Barbados Operations 2016-2023

The IDB's engagement with a member country is guided by its Country Strategy (CS), which defines the strategic agreement between the Bank and the country and outlines the objectives and proposed areas of focus. These are designed to align the country's development goals with the IDBG priorities, and typically span a four to five-year period.

Given the timeframe addressed by the current publication, the key drivers of the CSs in place from 2016-2024 were included, as well as a forward alignment to the new CS 2025-2030²⁹.

Barbados CS 2015-2018

The 2015-2018 CS focused on private sector competitiveness and improving the efficiency of public sector services to support growth in the following sectors: (i) Tourism; (ii) Transportation and Logistics; (iii) Energy; and (iv) Integrated Coastal Zone Management and Climate Resilience.

Climate action was mainly incorporated through the focus on energy and coastal management sectors: the energy sector focused on reducing dependence on fossil fuels and increasing RE sources (mitigation) while the focus in coastal management was on building coastal resilience through hazard-resilient coastal infrastructure and ecosystem-based adaptation measures (adaptation). This, in turn, enhanced the resilience of the tourism sector to natural events, which is highly dependent on coastal resources.

²⁹ <https://www.iadb.org/document.cfm?id=EZIDB0000049-42709830-11>

The operations with climate finance approved in this period and aligned to these priorities are:

A) Loans and Investment Grants

| Number | Type of Operation | Title | Year | Approved Amount | Climate Finance (%) | Sector of Climate Impact |
|----------|-------------------|--|------|-----------------|---------------------|--------------------------|
| BA-L1012 | Loan | Deployment of Cleaner Fuels and Renewable Energies in Barbados | 2016 | 34,000,000 | 15.73% | Energy/Mitigation |
| BA-L1033 | Loan | National Tourism Program | 2017 | 20,000,000 | 0.47% | Energy/Mitigation |
| BA-L1043 | Loan | Sustainable Energy Investment Program (SMART FUND II) | 2019 | 30,000,000 | 100% | Energy/Mitigation |
| BA-L1046 | Loan | Public Sector Modernization and Efficiency Programme | 2019 | 40,000,000 | 8.21% | Energy/Dual |
| BA-G1002 | Investment Grant | Sustainable Energy Investment Program (Smart Fund II) | 2019 | 15,463,142 | 100% | Energy/Mitigation |

B) Technical Operations

| Number | Type of Operation | Title | Year | Approved Amount | Climate Finance (%) | Sector of Climate Impact |
|----------|-----------------------|---|------|-----------------|---------------------|--------------------------|
| BA-T1028 | Technical Cooperation | Continuation of Support (SEFB) and Development of New Technologies: SG & RE | 2015 | 650,000 | 100% | Energy/Mitigation |
| BA-T1034 | Technical Cooperation | Continuation of Support for SEFB and Development of New Technologies: SG & RE | 2015 | 300,000 | 100% | Energy/Mitigation |
| BA-T1057 | Technical Cooperation | Expanded Support for the Sustainable Energy Framework for Barbados (SEFB) and Development of New Technologies: Energy Storage, Electric Mobility, Ocean Thermal Energy Conversion (OTEC) and Deployment of RE | 2018 | 200,000 | 100% | Energy/Mitigation |

All operations during this period focused on supporting the Sustainable Energy Framework for Barbados (SEFB) and the development of appropriate technologies, such as smart grids; RE, both utility-scale and distributed generation; and EE, in order to reduce Barbados' fossil fuel dependency. The SEFB is a comprehensive framework aiming to unlock viable investments in RE and EE in order to reduce energy costs and dependence on imported fossil fuels, strengthen energy security, promote an enabling legal and regulatory framework for the deployment of RE and EE, and enhance environmental sustainability.

Furthermore, TCs allowed for the smooth execution of previously approved loans (BA-L1012, BA-L1025 and BA-L1043). The Public Sector Smart Energy Program (PSSEP) (BA-L1025) aimed to replace all street lights in Barbados with energy-saving lamps and retrofit government buildings to generate energy savings, and the Deployment of Cleaner Fuels and the Renewable Energies in Barbados (BA-1012) operation had the objective of enhancing Barbados' energy security and sustainability by diversifying its energy matrix through promoting the use of cleaner fuels for power generation and increasing the use of RE sources.

TCs also supported the enabling environment targeted in operation BA-L1020 to expand the financial instrument supporting small businesses in acquiring state-of-the-art RE and EE equipment, promoting electromobility, facilitating the applicability of energy storage, and strengthening institutional frameworks and capacity. These operations are an integral part of the government's strategy to reduce its dependency on imported fossil fuels for electricity generation and transition to a sustainable energy matrix.

Barbados CS 2019-2023³⁰

The 2019-2023 CS proposed three areas of engagement:

1. Fostering fiscal sustainability and a more efficient public sector,
2. Safeguarding social outcomes, and
3. Promoting higher productivity and competitiveness to enhance the country's growth potential.

It recognized the importance and transversal nature of climate change and was considered a cross-cutting issue to be mainstreamed in all IDB interventions. This takes a more holistic approach to climate action as compared to the previous CS which had a more sector-specific focus.

Specifically, it proposed to support the government's plans for addressing climate change impacts by:

- i. Conducting disaster risk assessments that consider climate change when expanding or rehabilitating public infrastructure.
- ii. Adopting early warning systems for natural disasters.
- iii. Developing blue spot analyses in infrastructure investments to support decision makers and improve resilience.
- iv. Promoting sustainable construction methods and materials that support energy and water efficiency, resilience, and an integrated approach to manage built infrastructure (highlighting the R2RP);
- v. Climate-proofing utility networks;
- vi. Capacity building to factor in climate impacts within the decision-making process; and
- vii. Supporting programs and actions that are conducive to a climate-resilient approach, highlighting those that protect and augment freshwater resources and reduce land-based sources of pollution that affect coral reefs.

This overarching strategy allowed the IDB's actions to embrace the resilience dimension required by the Government to strengthen adaptive capacity across sectors.

The table in the following pages includes key operations with climate finance figures that were approved during this period and triggered fundamental paradigmatic shifts. As per the volume, the portfolio showcases an important increase in the mainstreaming and uptake of climate action.

Further details and highlights of some of the projects in the list will be described in Chapter 6.

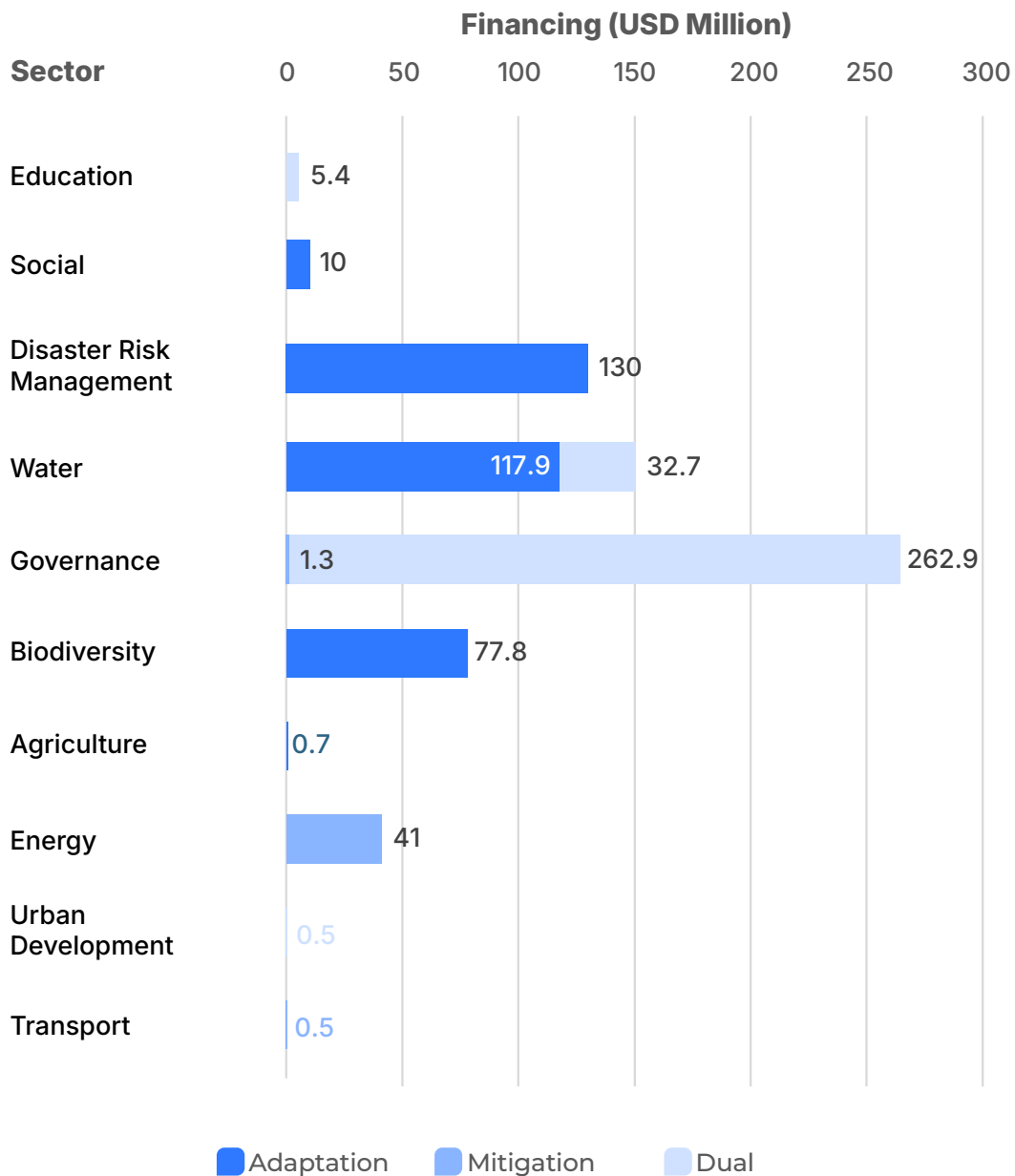
³⁰ The Country Strategy was extended until 2024.

| Number | Type of Operation | Title | Year | Approved Amount | Climate Finance (%) | Sector of Climate Impact |
|------------------------------------|------------------------|---|------|-----------------|---------------------|--------------------------|
| Loans and Investment Grants | | | | | | |
| BA-L1053 | Loan | Skills for the Future II: Digital Transformation for Inclusive and Quality Education | 2022 | 20,000,000 | 27% | Education/Dual |
| BA-L1060 | Policy Based Loan | Program to Strengthen Social Services in Barbados | 2023 | 100,000,000 | 10% | Social/Adaptation |
| BA-L1059 | Loan | Climate Resilient and Sustainable Integrated Coastal Zone Management | 2024 | 50,000,000 | 100% | DRM/Adaptation |
| BA-L1063 | Loan | Barbados Climate Resilient South Coast Water Reclamation Project | 2024 | 40,000,000 | 81.67% | Water/Dual |
| BA-L1048 | Investment Grant | Sustainable Development Policy Program | 2020 | 80,000,000 | 80% | Governance/Dual |
| BA-L1050 | Policy Based Loan | Programme to Strengthen Public Policy and Fiscal Management in Response to the Health and Economic Crisis Caused by COVID-19 in Barbados | 2020 | 120,000,000 | 6.67% | Governance/Dual |
| BA-L1052 | Policy Based Loan | Sustainable Development Policy Program II | 2021 | 100,000,000 | 85.71% | Governance/Dual |
| BA-L1056 | Policy Based Loan | Programme to Strengthen Public Policy and Fiscal Management in Response to the Health and Economic Crisis Caused by COVID-19 in Barbados II | 2022 | 100,000,000 | 14% | Governance/Dual |
| BA-L1061 | Policy Based Loan | Sustainable Development Policy Program III | 2024 | 100,000,000 | 90.37% | Governance/Dual |
| Contingency Loan | | | | | | |
| BA-O0004 | | Contingent Loan for Natural Disaster Emergencies | 2020 | 80,000,000 | 100% | DRM/Adaptation |
| Policy based Guarantees | | | | | | |
| BA-U0001 | Policy Based Guarantee | Program to Support Environmental and Economic Development in Barbados | 2022 | 100,000,000 | 77% | Biodiversity/Adaptation |
| BA-U0002 | Policy Based Guarantee | Program to Enhance Climate and Financial Resilience in Barbados | 2024 | 150,000,000 | 79% | Water/Adaptation |

| Number | Type of Operation | Title | Year | Approved Amount | Climate Finance (%) | Sector of Climate Impact |
|-------------------------------|-------------------|---|------|-----------------|---------------------|--------------------------|
| Technical cooperations | | | | | | |
| BA-T1059 | TC | Walkers Reserve Integrated Master Plan and Restoration Pilot | 2019 | 650,000 | 100% | Agriculture/ Adaptation |
| BA-T1063 | TC | Strategic Roadmap for the Blue Economy in Barbados | 2019 | 300,000 | 100% | Biodiversity/ Adaptation |
| BA-T1065 | TC | Supporting Energy Transition Implementation and Smart Energy Technology Expansion in Barbados | 2019 | 550,000 | 100% | Energy/Mitigation |
| BA-T1068 | TC | Improving: Institutional Frameworks for Integrated Coastal Zone Management, National Risk Information Planning Systems and Sustainable Climate-Resilient Coastal Infrastructure | 2020 | 500,000 | 100% | DRM/Adaptation |
| BA-T1076 | TC | Sustainable Development Planning | 2020 | 300,000 | 53% | Urban Development/ Dual |
| BA-T1082 | TC | Support for the Design of Carbon Neutral Strategies in the Context of Energy Transition in Barbados | 2021 | 400,000 | 100% | Energy/Mitigation |
| BA-T1086 | TC | Enhancing Sustainability Assets in the context of a Policy Based Guarantee (PBG) | 2022 | 600,000 | 100% | Biodiversity/ Adaptation |
| BA-G1004 | Investment Grant | Strengthening Institutional and Technical Capacity for Barbados to meet the transparency requirements of the Paris Agreement | 2022 | 1,250,000 | 100% | Governance/ Mitigation |
| BA-T1089 | TC | Accelerating the transition to electromobility in Barbados | 2023 | 450,000 | 100% | Transport/ Mitigation |
| BA-T1091 | TC | Mainstreaming Sustainability and Private Sector Investment into Barbados' Housing Drive | 2023 | 350,000 | 100% | Urban Development/ Dual |
| BA-T1095 | TC | An Ambitious Climate Change Agenda for Barbados | 2023 | 200,000 | 100% | Governance/Dual |
| BA-T1096 | TC | Support to Public Procurement in Barbados | 2023 | 100,000 | 50% | Governance/Dual |
| BA-T1097 | TC | Support for Skills for the Future II | 2023 | 150,000 | 25% | Education/ Adaptation |
| BA-T1102 | TC | Strengthening Fiscal Policy for Climate Change Actions in Barbados | 2024 | 500,000 | 100% | Governance/Dual |
| BA-G1008 | Investment Grant | Barbados Climate Resilient South Coast Water Reclamation Project | 2025 | 40,000,000 | 100% | Energy/Mitigation |

FIGURE 4.1

Climate Financing of the 2019-2023 Barbados CS



Indicators in the CS to account and monitor for climate change targets

| Government's priorities | IDB strategic area | IDB strategic objective | Expected outcomes | Indicators | Baseline values | Source |
|---|----------------------------------|---|--|---|-----------------|--|
| Pillar 2: Rebuilding the economy, financing national transformation | 3. Promoting higher productivity | Reduce the country's dependence on imported fossil fuel | Increased contribution of clean energy sources | Number of installed megawatt contribution from clean energy sources | 25MW (2018) | Ministry of Energy and Water Resources |
| Pillar 4: Fixing our broken infrastructure repair and renewal | | Promote private sector engagement that encourages greater productivity, as well as resilient infrastructure investments | Increase investments in resilient infrastructure | Capital spending, as percentage of GDP ³¹ | 1.7 (FY2017/18) | Central Bank of Barbados |

Barbados CS 2025-2030

A new CS for the period 2025-2030 was approved and published in May 2025. This Strategy aims to help the country accelerate progress towards inclusive growth and resilience and is structured around three pillars:

1. Further revitalize the economy and promote inclusive and sustainable growth;
2. Enhance social resilience to thrive in a changing world;
3. Build climate resilience and promote energy transformation.

The IDB CS for Barbados (2025–2030) identifies several sectoral priorities that align with the country's development goals and long-term resilience agenda. Among the most prominent sectors are:

- **Energy and Climate Resilience:** The strategy supports Barbados' ambition to fully transition to RE, with investments in infrastructure, regulatory reform, and EE. This includes promoting climate adaptation and disaster risk management to safeguard development gains.

³¹ Capital spending is used as a proxy for resilient infrastructure investment. For this, it is assumed that infrastructure investments adhere to the required quality and standards regarding resilience to adverse weather conditions.

- **Fiscal Sustainability and Public Sector Efficiency:** The IDB continues to assist Barbados in strengthening public financial management, improving tax administration, and enhancing the efficiency of public spending, all aimed at maintaining macroeconomic stability.
- **Social Protection and Human Capital:** Programs target improvements in education, health, and social safety nets, with a focus on vulnerable populations and gender equity. The strategy also supports digital transformation in service delivery.
- **Access to Finance and Private Sector Development:** A key focus is expanding financing for micro, small, and medium-sized enterprises (MSMEs), including through IDB loans and innovation initiatives like the IDB Lab's support for women-led STEM startups.
- **Productivity and Competitiveness:** The strategy promotes reforms and investments to boost productivity, including support for tourism, agriculture, and digital infrastructure.

These sectoral priorities are designed to be mutually reinforcing and are implemented in close coordination with the GoB and other development partners.

In addition, the CS includes three cross-cutting themes to be mainstreamed in the interventions: promoting gender equality and diversity, boosting innovation, and strengthening institutional capacity.

| Strategic Objective | Expected Impact | Indicator | Baseline (year) | Source |
|--|---|---|----------------------------------|--|
| Strengthen resilience by advancing climate finance mobilization and using innovative instruments, as well as by improving institutional capacity for disaster risk management and upgrading key infrastructure, such as water and sanitation systems and ports | Enhanced disaster and climate change resilience | Beneficiaries of enhanced disaster and climate change resilience (gender disaggregated) | 0 (2022) | Barbados Statistical Service (BSS) population data |
| | | Probable economic losses of climate-related events (selected locations) ⁷⁹ | USD 21.6 million (2020) | ITEC probabilistic risk assessment |
| | Improved disaster risk management framework | Index of Governance and Public Policy in Disaster Risk Management (iGOPP) | 2018 20.96, iGOPP Overall Score, | iGOPP |
| | Increased availability of water resources for potable and non-potable use | Volume of reclaimed water available for productive uses that meet local and international standards | 2024 0 m3 water/year, | Barbados Water Authority |
| Bolster sustainable energy initiatives by increasing the adoption of affordable, secure, and resilient technologies, while also improving EE | Implementation of affordable, secure, efficient, and resilient technologies (wind, solar, and battery capacity, among others) | Installed capacity of wind generation plants | 2024 1 MW | Ministry of Energy and Business |
| | | Installed capacity of solar panel systems | 2024 104 MW | Ministry of Energy and Business |
| | | Installed capacity of battery energy storage systems | 2024 5 MW | Ministry of Energy and Business |

Within the climate pillar, the Strategy has defined two strategic objectives. The first is to strengthen climate resilience by advancing climate finance mobilization, innovative instruments and investment, as well as by improving institutional capacity for disaster risk management and upgrading key infrastructure, such as water and sanitation systems and ports. The second is to bolster sustainable energy by increasing the adoption of affordable, secure, and resilient technologies, while also improving EE. Since climate change is cross-sectoral, the Climate Change Team in Barbados plays an advisory role in mainstreaming climate change considerations in Barbados' operations.

It is important to underline the relevance of including the Key Performance Indicator (KPI), volume of reclaimed water available for productive uses that meet local and international standards, from the Debt for Climate transaction (operations BA-U0002 and BA-L1063), whose target is reaching 1,550,000 m³/year by 2030, thereby enhancing the country's resilience to water scarcity.

Chapter

5



Climate Finance in Barbados by the IDB

IDB Climate Finance in Barbados

The IDB provided USD 720,614,498 in climate financing to Barbados between 2012 and 2024, of which USD 123,663,342 was for mitigation (17% of the climate finance), USD 489,374,156 for adaptation (68% of the climate finance) and USD 107,577,000 for dual climate finance (15% of the climate finance).

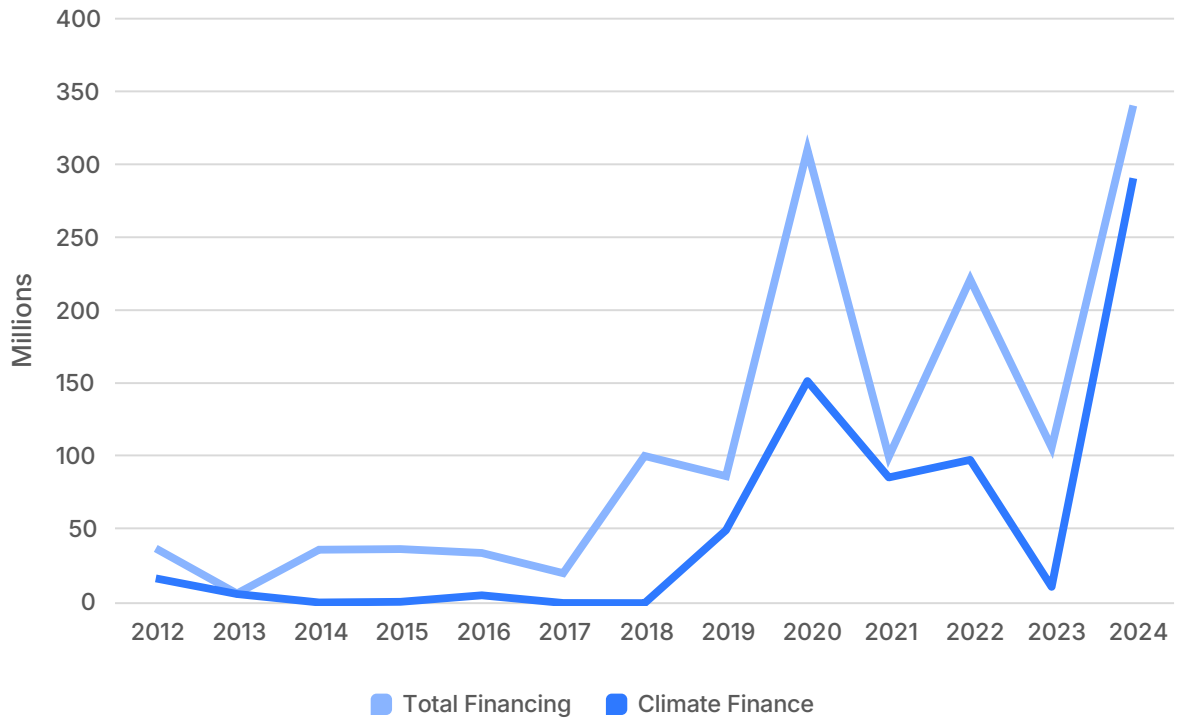
It is important to note that these numbers do not include the green finance figures, which encompass activities such as sole pollution or biodiversity investments which are not considered by the Climate Finance Methodology, unless they have climate co-benefits.

| | Total Financing | Climate Financing | % of Climate Finance |
|-----|-----------------|-------------------|----------------------|
| IDB | 1,443,632,462 | 720,614,498 | 49.87% |

| | Total Approvals | Mitigation Climate Finance | Adaptation Climate Finance | Dual Climate Finance | Total Climate Finance |
|--------------|------------------------|----------------------------|----------------------------|----------------------|-----------------------|
| Total 2012 | \$43,314,203 | \$ 22,810,000 | - | - | \$22,810,000 |
| Total 2013 | \$774,858 | - | \$600,000 | - | \$600,000 |
| Total 2014 | \$36,636,356 | \$250,000 | \$250,000 | - | \$500,000 |
| Total 2015 | \$37,202,862 | \$950,000 | - | - | \$950,000 |
| Total 2016 | \$34,297,759 | \$5,348,200 | - | - | \$5,348,200 |
| Total 2017 | \$20,428,303 | \$94,000 | - | - | \$94,000 |
| Total 2018 | \$100,957,161 | \$200,000 | - | - | \$200,000 |
| Total 2019 | \$87,209,721 | \$46,597,142 | \$650,000 | \$3,000,000 | \$50,247,142 |
| Total 2020 | \$311,297,868 | \$16,004,000 | \$128,659,990 | \$8,000,000 | \$152,663,990 |
| Total 2021 | \$100,774,520 | \$400,000 | \$85,710,000 | \$ - | \$86,110,000 |
| Total 2022 | \$222,125,866 | \$1,850,000 | \$76,920,000 | \$19,472,000 | \$98,242,000 |
| Total 2023 | \$106,972,705 | \$450,000 | \$10,387,500 | \$270,000 | \$11,107,500 |
| Total 2024 | \$341,640,280 | \$28,710,000 | \$186,196,666 | \$ 76,835,000 | \$291,741,666 |
| Total | \$1,443,632,462 | \$123,663,342 | \$489,374,156 | \$107,577,000 | \$720,614,498 |

FIGURE 5.1

**Total Financing vs Climate Finance by Year
IDB Barbados 2012-2024**



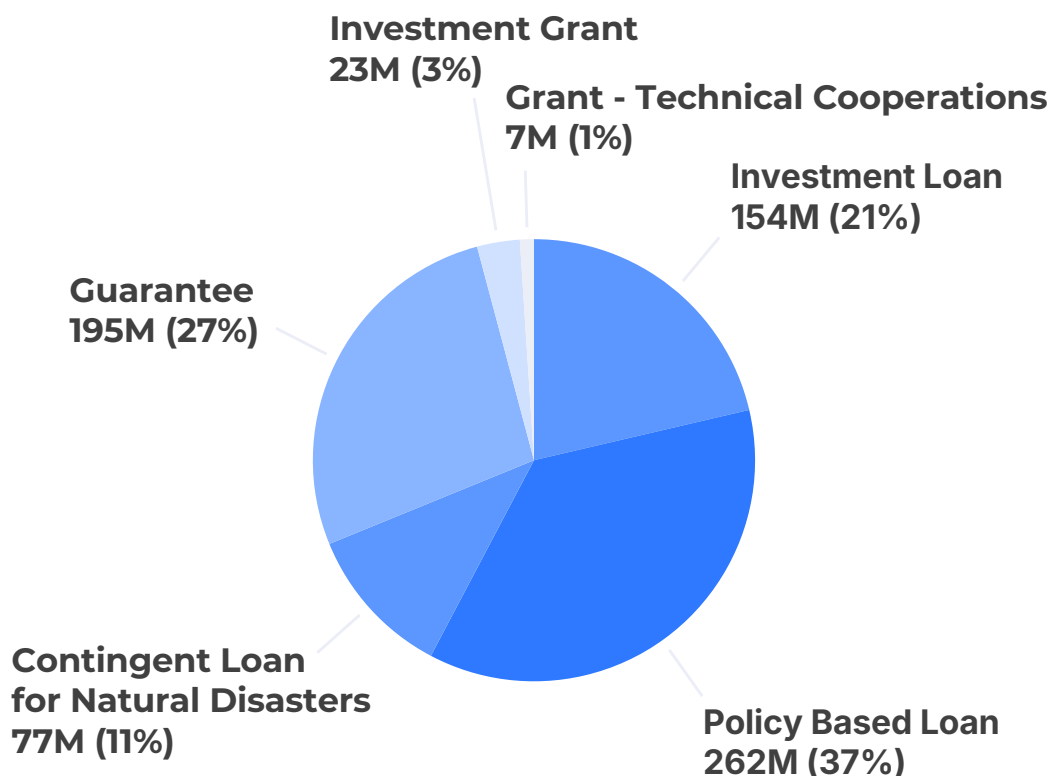
Climate Finance by Instrument

Climate finance was distributed across various financial instruments, including:

- Investment loans (USD 154M of USD 471M) to finance specific projects that involved tangible infrastructure or capital investments with low carbon and resilient considerations.
- Policy-based loans (USD 262M of USD 500M) which supported policy reforms and institutional strengthening, creating the enabling environment to foster further climate planning and investments.
- Investment grants or technical cooperations (USD 30M of USD 43M) which provided funding for specific technical assistance to supplement and strengthen local counterparts, most of which targeted climate objectives such as the blue economy agenda, regenerative agriculture and innovative transactions.
- Guarantees (USD 195M of USD 250M) to lower the risk for investors or creditors, in these instances for debt for nature/climate transactions.
- Contingent Credit for Natural Disasters (USD 80M of USD 80 M) which provides resources following a catastrophic disaster to cover a country's immediate expenses to restore basic services to the population.

FIGURE 5.2

Climate Finance by Instrument



Mitigation, Adaptation & Dual Financing

Of the climate financing provided between 2012-2024, USD 721M, the majority was for adaptation at USD 489M. Mitigation and dual financing totaled USD 124M and USD 108M, respectively, for the same period.

FIGURE 5.3

Mitigation, Adaptation & Dual Financing

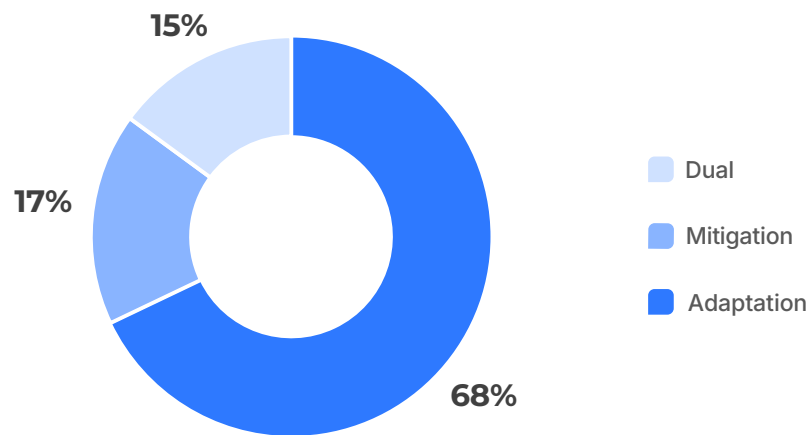
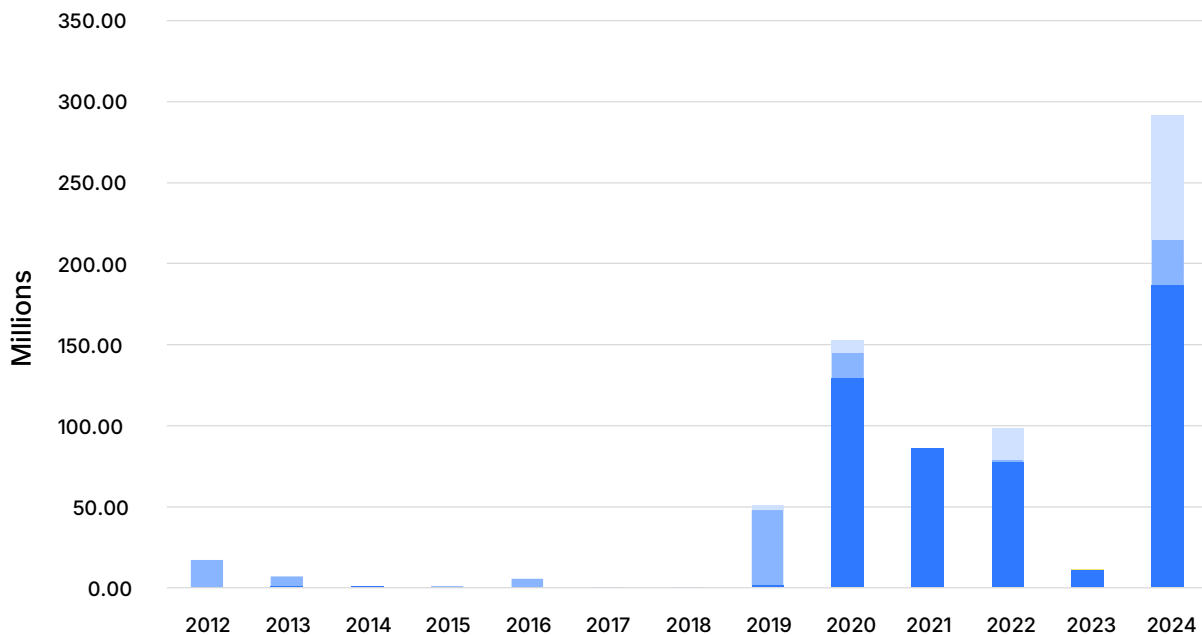


FIGURE 5.4

Climate Finance by IDB (per year)



Climate Finance by Sector

By sector, Urban Planning received the greatest amount of climate financing (33% – USD 241M), followed by Capital Markets and Financial Institutions (27% – USD 195M), Resilience and Risk Management (11% – USD 80M), Energy (11% – USD 76M), Coastal Zone Management (7% – USD 51M), Water and Sanitation (5% – USD 33M), Fiscal (3% – USD 23M), Social and Labor (1% – USD 10M), Education (1% – USD 5M), Governance (<0% – USD 3.3M), Climate Governance (<0% – USD 1.5M), Natural Capital (<0% – USD 1.2M), Agriculture (<0% – USD 0.7M), Blue Economy (<0% – USD 0.3M), Tourism (<0% – USD 0.09M) and Public Private Partnership (<0% – USD 0.02M).

These will be described in further detail and in the context of adaptation, mitigation and dual financing.

FIGURE 5.5 Climate Finance by Sector

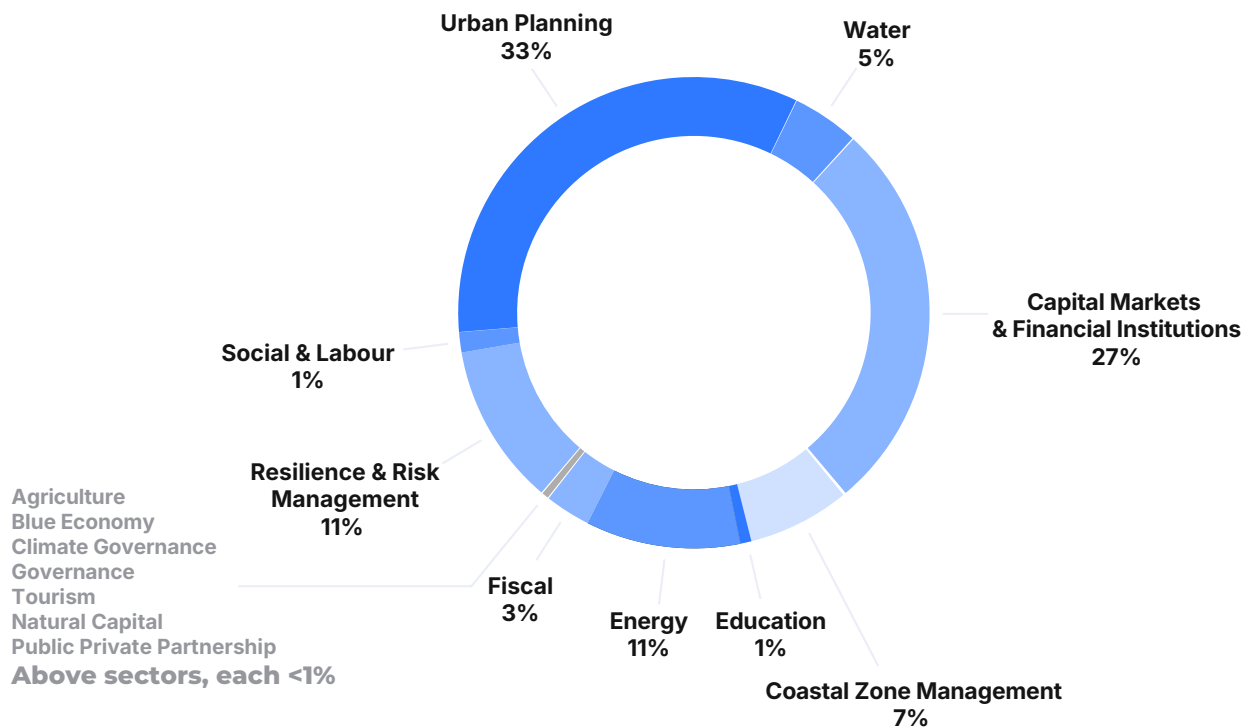
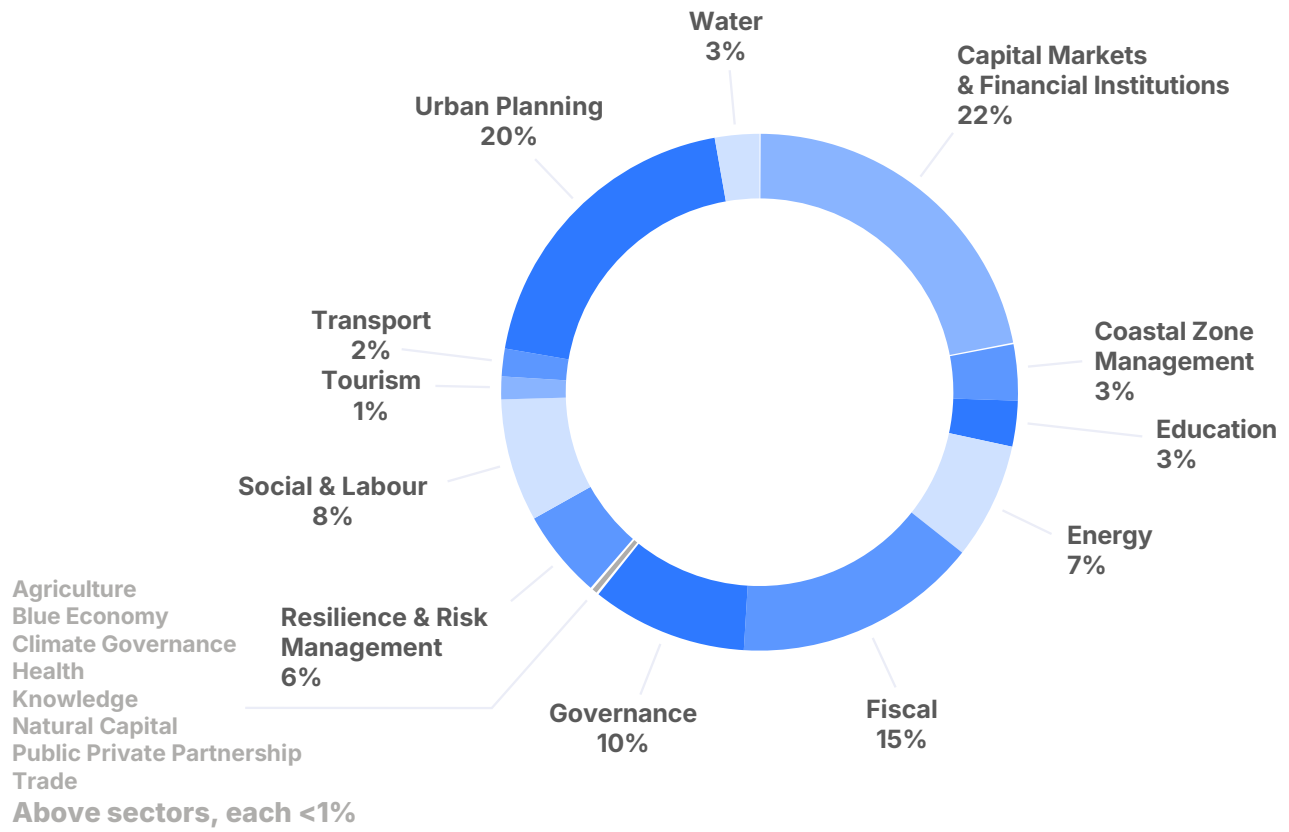


FIGURE 5.6

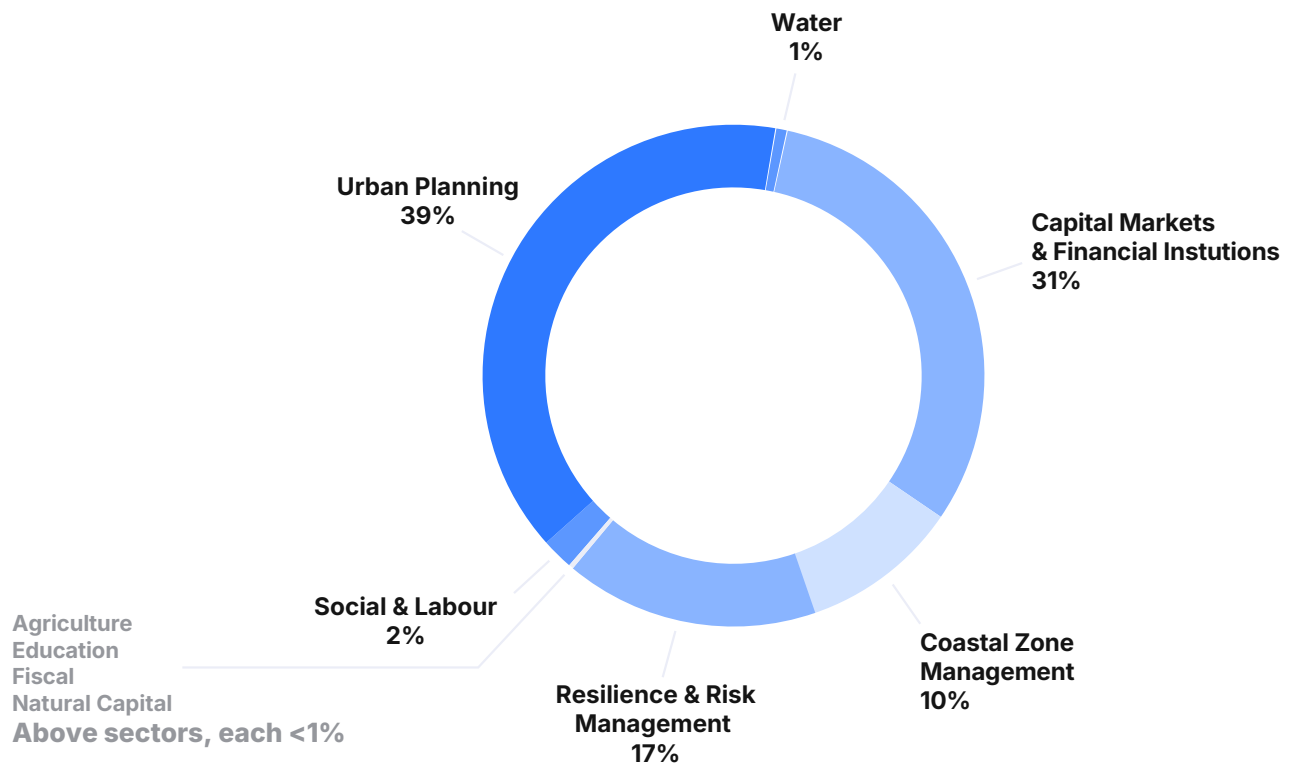
Total Finance by Sector



Adaptation Financing

The Urban Planning sector constituted the greatest portion of adaptation financing (USD 192M), followed by Capital Markets and Financial Institutions (USD 152M), Resilience and Risk Management (USD 80M) and Coastal Zone Management (USD 51M).

FIGURE 5.7 Adaptation Financing by Sector



Urban Planning - Policy-based loans supporting sustainable policy reform were the main climate finance contributors to this sector (USD 191.4M). These programs strengthened and modernized the regulatory framework for spatial planning; water resources management with an emphasis on land use, stormwater management

and the groundwater zone; natural asset management with an emphasis on coastal zone and natural capital management; and disaster risk management and resilience. Specifically, this has included the updated Physical Development Act and Plan which address the critical impacts of climate change through policies to enhance

resilience, the ICZM, the Barbados Water Authority Amendment Bill (2023), the Barbados Water Authority Mains Laying and Replacement Plan 2023 to increase the resilience of the water mains network, and the Water Reuse Act (2023) which allows for the safe use of reclaimed water to bolster the national water supply.

Capital Markets and Financial Institutions

- This included the issuance of two guarantees by the IDB to support one DFNC and one DFCT. These conversions allowed for significant investment in nature and climate activities without increasing the debt burden of the country. The 2022 DFNC was backed by a USD 100M guarantee from the IDB and a USD 50M guarantee from TNC, with savings allocated to the marine spatial planning (MSP) process (through the Barbados Environmental Sustainability Fund (BESF)) and the GoB committing to having 10% of the marine space under biodiversity protection. The 2024 DFCT was supported by a USD 150M guarantee from IDB and a matching guarantee from the EIB, with savings financing resilience in the water sector. Specifically, this will provide financing for the South Coast Water Reclamation Project to allow tertiary treatment of wastewater for water reuse in agriculture and aquifer recharge. This was a holistic approach that was also supported by the GCF (USD 70M, including grants).

Policy conditions for these guarantees included many that contribute to adaptation since they set the framework for these and other climate resilient investments. For the 2022 transaction, this entailed strengthening the enabling environment for Blue Economy projects while those for the 2024 transaction did the same for water resilience projects.

Resilience and Risk Management - The Contingent Loan for Natural Disasters, approved in 2020, supports the GoB through a pre-arranged framework that

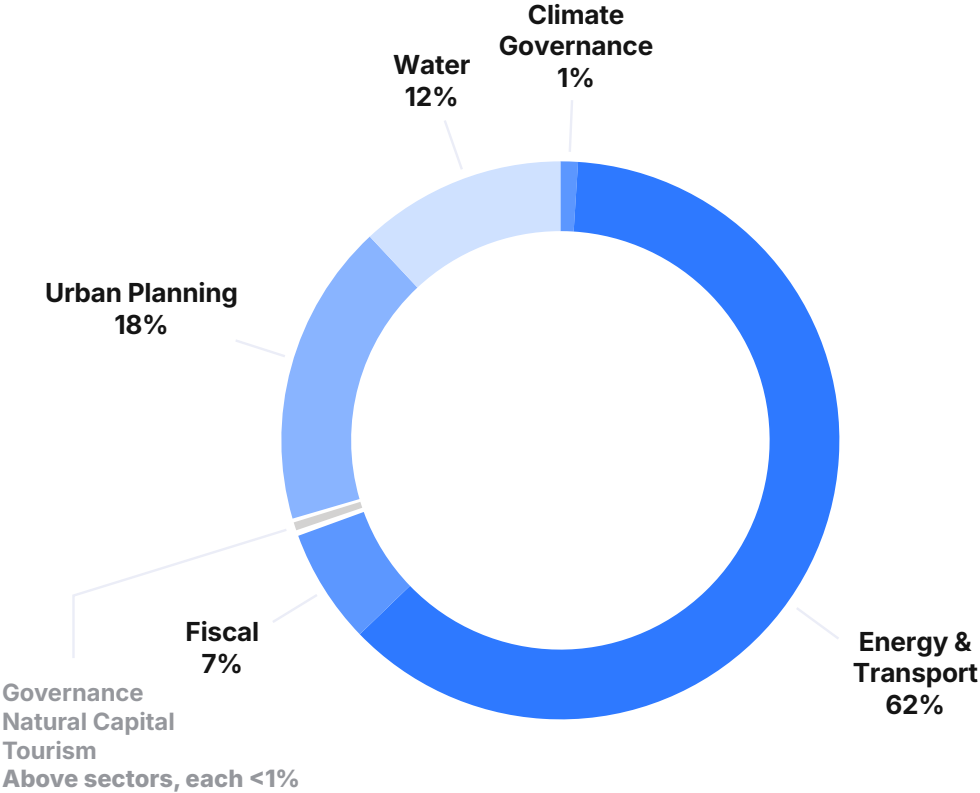
allows swift access to specific resources when an eligible event occurs, based on predefined parametric conditions. Furthermore, this instrument helps build national knowledge and institutional capacity by reducing vulnerability to natural hazards and increasing resilience to the effects of climate change.

Coastal Zone Management - The IDB approved an investment loan in 2024 that will improve the resilience of the country's coastal zone from degradation and climate risk. The resources from this loan will be used for hard investments at five different sites where key priorities and challenges were identified by CZMU (Oistins, Rockley Beach to St. Lawrence Gap, Clinketts, Sand Street and Mullins) and will include a hybrid approach combining beach nourishment with coastal structures, such as breakwaters and groins. Some sites will also include drainage works to reduce flood risk. Additionally, this Program will enhance climate resilience governance by strengthening the CZMU through the upgrade of the National Coastal Risk Information Planning Platform (NCRIPP), operationalization of the National Capital Accounting Action Plan, and a Monitoring Reporting and Verification (MRV) system to monitor results of the interventions.

Mitigation Financing

The Energy sector constituted the greatest portion of mitigation financing (USD 76M), followed by Urban Planning (USD 22M), Water (USD 15M), Fiscal Support (USD 8M), Climate Governance (USD 1M), Natural Capital (USD 0.6M), Governance (USD 0.6M), and Tourism (USD 0.1M).

FIGURE 5.8 Mitigation Financing by Sector



Energy – The IDB has been playing an active role in supporting the energy sector transformation in Barbados. The Bank has collaborated with the Government to establish the Smart Fund I³², Smart Fund II, PSSEP and Deployment of Cleaner Fuels and Renewable Energies in Barbados Programs which have each furthered Barbados’ aim of expanding RE penetration and EE.

32 Not included in the financial assessment since this was developed prior to 2012

The PSSEP concluded in 2024 with 15 public buildings retrofitted with EE technologies, 3.49 MW of PVs installed in public buildings, 25,792 public lighting units retrofitted, and 10 EVs purchased (including 2 electric buses). The Program also completed ocean power studies to better position Barbados to evaluate the viability of harnessing this technology and provided training in the energy sector to bolster the technical and professional capacity in the country.



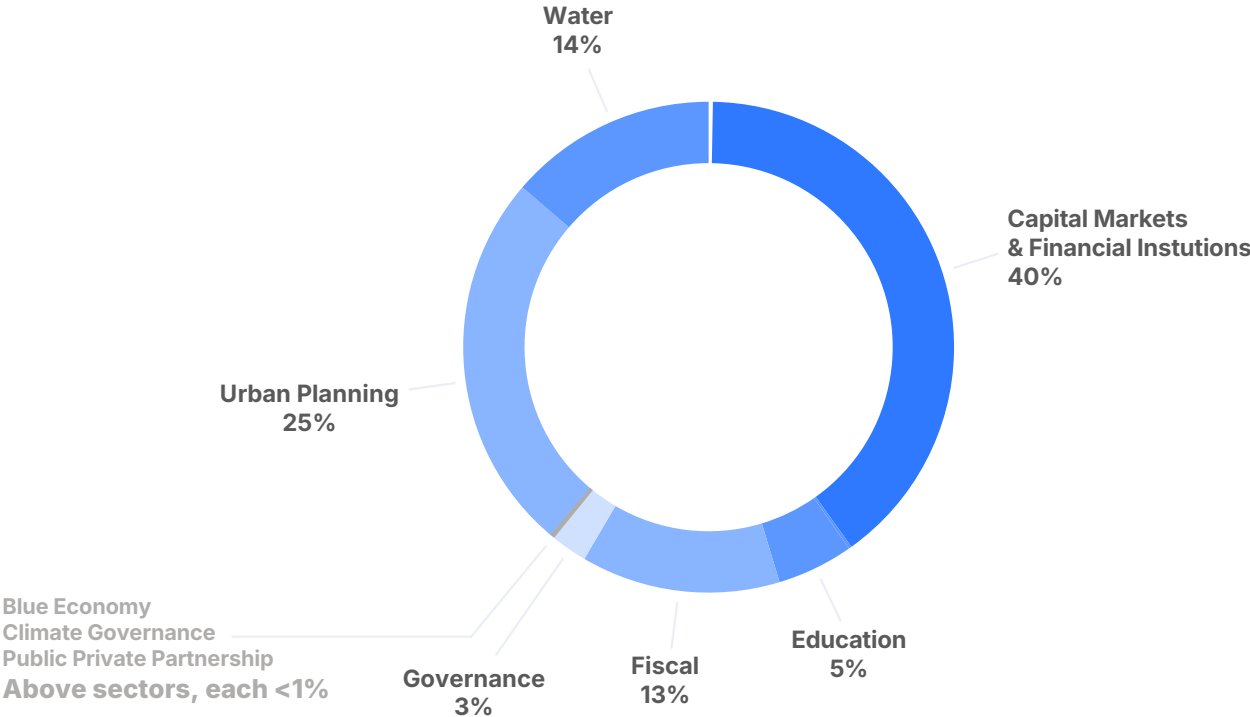
The Smart Fund II Program was approved in 2019 and furthers the work needed for the energy transition. Specifically, this Program aims to promote the use of RE and EE in Small and Medium Enterprises (SMEs) through pre-investment studies and pilots to lower energy costs and improve competitiveness of SMEs, loans to SMEs to implement EE and RE projects, and an Air-Conditioning (AC) Rebate Facility to facilitate the replacement of inefficient AC systems with EE certified and Ozone Depleting Substances (ODS) free technologies. The Program will also finance pre-investment studies for public entities to carry out retrofitting of buildings with RE and EE technologies; the retrofitting of public buildings including hospitals and clinics, schools, administrative and operational facilities with EE measures and RE technologies; and expansion of the government's EV fleet. The latter was achieved in 2022 with the procurement of 10 electric buses for the Transport Board with charging station systems also installed.

Urban Planning – While policy-based loans supporting sustainable policy reform predominantly contributed to adaptation, some policy reforms were mitigation focused. This included a revised Solid Waste Management Policy which has a stronger integration of green, blue, and circular economy concepts and incorporates sustainable waste management practices and facilities. Additionally, the Barbados Transport and Mobility Plan which incorporates sustainability considerations such as the upgrade of the public transport system (fleet renovation, payment systems, tracking systems, and demand management), introduction of bicycle lanes, connected sidewalks and accessibility measures.

Under Climate Governance, the IDB has supported the strengthening of MENB's capacity to improve transparency in meeting the Paris Agreement (BA-G1004, GEF CBIT), the development of climate budgeting tagging and sustainable procurement methodologies, the development of indicators for the NDC, and efforts to support the government's climate communication activities.

Dual Financing

FIGURE 5.8 Dual Financing by Sector



Capital Markets and Financial Institutions – The 2024 DFCT included policy triggers which were classed as climate change dual. These included Strategies to improve the capacity for sustainable debt management which will allow for climate investments in the water sector as well as the approval of the National Ocean Policy. These will yield both adaptation and mitigation benefits.

Urban Planning – The development of the PDP included climate change considerations in the planning process which addresses both adaptation and mitigation. Further, the development of an Action Plan for Ecosystem Services Accounting allows for the valuation of the country's natural capital (coral reefs and mangroves) which can increase opportunities for nature-based solutions (adaptation) while also enhancing carbon capture (mitigation).

Water – The Barbados Climate Resilient South Coast Water Reclamation Project was approved in 2024 with the aim of making the national water supply resilient while keeping GHG emissions low. The Project will finance the upgrade of the South Coast Wastewater Treatment Plant into a facility that conducts tertiary treatment of wastewater to produce reclaimed water for reuse in irrigation and aquifer recharge. The Plant will be constructed utilizing energy efficient technologies, where feasible, and the Project will also include the construction of a 7 MW PV plant with associated battery storage.

Climate Governance - Programs which improve climate governance also contribute to dual financing. This includes the development of climate budgeting tagging and sustainable procurement methodologies, support for the government’s climate (both mitigation and adaptation) communication activities and development of national policies/strategies that may encompass both mitigation and adaptation (for e.g. the Blue Economy Road Map).

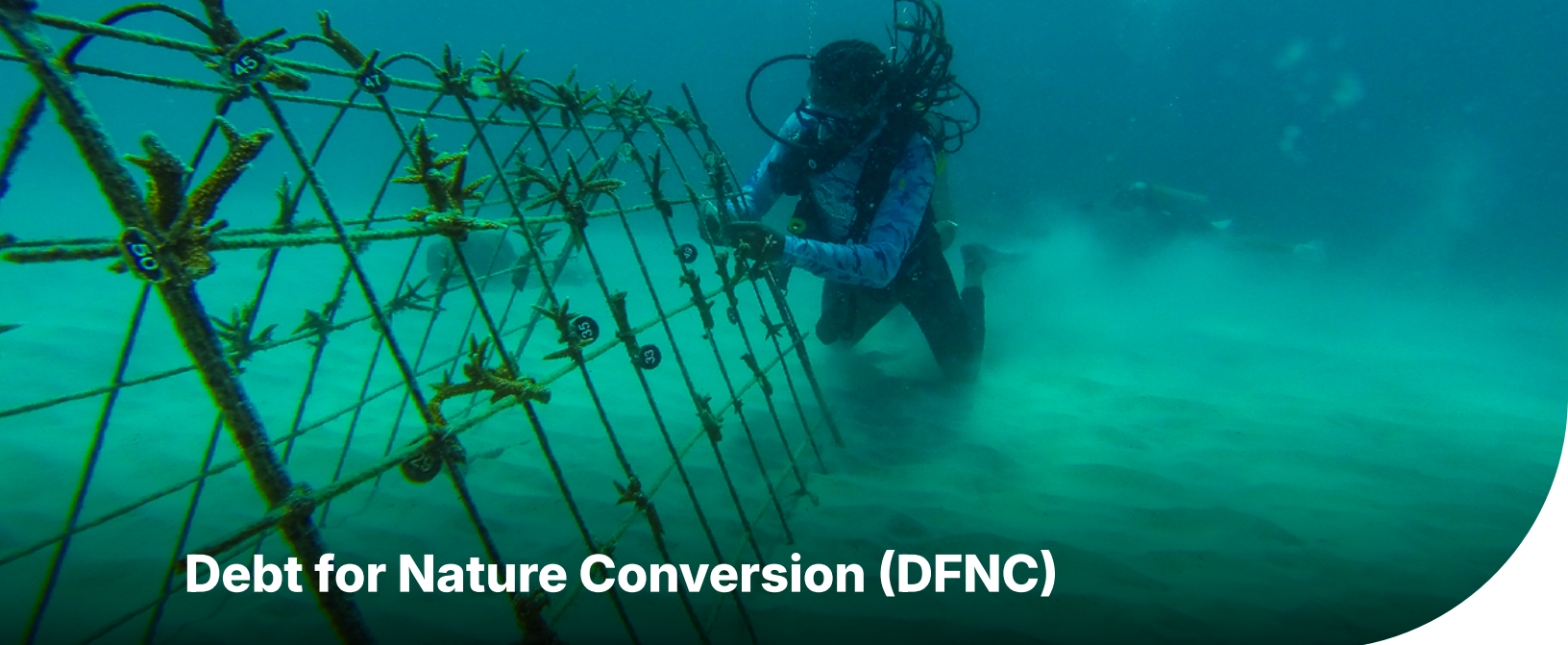
Fiscal – The IDB has supported the GoB in their response to the health and economic crisis caused by the COVID-19 pandemic by strengthening the efficiency and effectiveness of public policy and fiscal management through a programmatic series of policy-based loans in 2020 and 2022. Policy conditions for the 2022 loan included the approval of a Draft Climate Change and Fiscal Plan and the approval of an excise and VAT holiday on EVs.

Chapter

6

Project Highlights





Debt for Nature Conversion (DFNC)

2022

BA-U0001 Program to Support Environmental and Economic Development in Barbados

Objective

The aim of this operation is to strengthen environmental sustainability in Barbados.

Climate Context

Climate change has a direct impact on marine biodiversity and constitutes one of its biggest and fastest-growing threats. Barbados has an EEZ that is 185,000 km², 400 times the country's landmass area, which supports rich natural capital as well as key economic sectors. The cost of inaction in Barbados has been estimated at 6.9% of GDP by 2025 and 13.9% by 2050³³. As the ocean is a carbon sink, absorbing up to a quarter of global CO₂ emissions, the ocean's temperatures and acidity levels are increasing, affecting the delicate balance that sustains marine life. Increased atmospheric temperatures are expected to result in an increase in marine heatwaves as well as ocean acidification³⁴. In order to

protect biodiversity and mitigate the effects of climate change, a series of actions — including natural capital conservation, ecosystem restoration, and the adaptation of economic activities, among others — need to be implemented.

Program Interventions

This Program is a Policy-Based Guarantee (PBG) instrument that supports the Government's efforts regarding environmental sustainability. A PBG combines a policy reform program, based on a policy matrix, to strengthen environmental governance in Barbados with a sovereign guarantee to support a debt instrument issued by the GoB in connection with a DFNC, with the objective of financing natural conservation activities.

This operation comprised a USD 100M guarantee from the IDB and an additional

33 2004 GDP. Commonwealth Marine Economies Programme. [Caribbean Marine Climate Change Report 2017](#)

34 Commonwealth Marine Economies Programme. [Caribbean Marine Climate Change Report 2017](#)

USD 50M guarantee from TNC. The guarantees enabled the GoB to buyback a portion of Barbados’ existing debt. The transaction will free up almost USD 50M over 15 years, largely because of the interest rate differential between the repurchased debt and the new loan. The savings were fully allocated to a newly created conservation trust fund, the BESF, and will be used to finance critical marine conservation work and the sustainable management of Barbados’ marine assets.

It is important to underline that under this transaction, the GoB has committed to completing an ocean-wide MSP process that is guided by the best available science, data, and information with an aspirational goal of protecting up to 30% of the country’s EEZ by 2030.

| Key figures | |
|-----------------------------|--|
| Financial Terms | <ul style="list-style-type: none"> • Credit Suisse and CIBC FirstCaribbean arranged a 15-year amortizing Loan of USD 146.5 million (50% in USD and 50% in BBD). • IDB (USD 100 million) and TNC (USD 50 million) co-guaranteed the new Loan covering outstanding principal + one semiannual coupon. • Barbados repurchased USD 77.6 million of its 6.5% 2029 Eurobond at a price of 92.25 cents on the dollar and USD 72.9 million of its 8% Domestic Bond Series E at par. |
| Savings | <p>USD 50 million:</p> <ul style="list-style-type: none"> • USD 23 million into an independent conservation fund, the BESF (USD 1.5 million per year on average) • USD 17 million towards a long-term endowment for BESF, which is expected to generate an additional USD 10 million in returns over 15 years. |
| Governance | <ul style="list-style-type: none"> • Creation of an independent conservation trust fund, the BESF |
| Key Conservation Milestones | <ul style="list-style-type: none"> • Aspirational goal of 30% of ocean area under protection by 2030, half in high-protection biodiversity zones. • Science-based, participatory, and inclusive MSP to identify new protected areas and develop an ocean management plan. |



Support for Debt for Nature Conversion (DFNC)

2022

BA-T1086 Enhancing Sustainability Assets in the context of a PBG

A TC for USD 600,000 was designed and implemented to support the GoB by enhancing their capacity to achieve the milestones under the PBG.

Establishing the BESF

A consultant was hired to advise and support the BESF in developing operational documents ensuring adequate consideration of laws, previous experiences, and best practices in the establishment of conservation funds. As such, the consultant assisted in the development of the Operations Manual, Strategic Plan, Grant Making Framework, Environmental and Social Safeguards Framework, Grant Agreement and Monitoring and Evaluation Framework documents of the BESF.

Communications

A Communications Plan was developed and implemented. This included both a Media Plan and Social Media Strategy, as well as a stakeholder registry. This involved the

development of promotional materials as well as articles and press releases, media kits, and other communications products such as FAQs, presentations and talking points. The Consultant also maintained content for the MSP website, facilitated the production of promotional videos and song and collaborated with the education team in delivering formal and informal stakeholder engagement.

Environmental Education

Support was provided to the MSP team to develop a public education engagement campaign as well as an education programme, which included a proposal to integrate coastal and marine issues and science into the primary and secondary curricula as well as training workshops for teachers, students and stakeholders. Formal and informal educational activities and programmes on marine science and management were also held to various stakeholders and age groups.

Geoinformatics

The current datasets and Geographic Information System (GIS) systems were assessed to identify gaps and opportunities for improvements. Following this, the consultant updated and improved the geodatabase, generating new outputs to better present geospatial data and revised existing data and methodologies with the aim of building the Core GIS Data Kit for Barbados' MSP. Finally, stakeholders were trained to effectively use the GIS data and tools created for Barbados' MSP.

Development of National Oceans Policy (NOP)

This consultancy supported the GoB in the drafting of an Ocean Policy for Barbados to establish a framework for integrated planning and management of ocean space and associated activities occurring within it. The NOP complements the Blue Economy Roadmap (2021) and amendment to the Physical Development Plan (PDP – 2023) which focuses on terrestrial issues out to the defined seaward limit of the Coastal Zone Management Area (CZMA) as defined within the Coastal Zone Management Plan (2020). The NOP serves as the overarching framework within which the MSP for Barbados and other related instruments will fit and operate.

Furthermore, next steps include the development of a Natural Capital Assessment that will establish a robust natural capital accounting mechanism for Barbados' marine ecosystems, providing a foundation for understanding their economic, social, and environmental value. This includes (i) the development of methodologies to quantify and track the value of marine natural assets, (ii) with a focus on creating a preliminary Natural Asset Management and Investment Plan for Barbados' west and southwestern coasts. The consultancy will also aim to develop tools to create an enabling environment for the integration of natural capital considerations into the MSP process, national budgeting, policy and management procedures. By aligning with the Marine Spatial Plan, Blue Economy Roadmap, the Integrated Coastal Zone Management Plan and national development goals, the project will support Barbados in sustainably managing its marine resources while fostering economic diversification and resilience.



Debt for Climate Transaction (DFCT)

2024

BA-U0002 Program to Enhance Climate and Financial Resilience in Barbados

Program Objective

The aim of this operation is to enhance the climate and financial resilience of Barbados.

Climate Context

Barbados has a high vulnerability to climate change, including hurricanes/tropical storms, flooding, drought, extreme rainfall and sea level rise. The water sector is particularly vulnerable, as Barbados is already classified as water scarce, which is projected to worsen with climate change. Despite the urgent need for the country to invest in climate resilience, high public debt levels and a primary surplus objective for debt sustainability limit its capacity to do so. As a result, there is a need to increase fiscal resilience alongside climate resilience.

Program Interventions

This Program supports the goal of enhancing climate and financial resilience in Barbados through an IDB PBG instrument. It combines a policy reform program with a sovereign guarantee to credit-enhance a

sovereign debt instrument to support the DFCT, increasing the country's fiscal space for resilience investments in the water sector.

In November 2024, the GoB completed the world's first DFCT, generating USD 125 million in fiscal savings (~USD 100 million in net present value), all of which will be used to enhance water resource management and increase water and food security.

This transaction enabled Barbados to replace relatively expensive pre-existing debt (7.9% average cost) with significantly lower all-in cost of financing (4.1%). This debt repurchase was financed through a ~USD 296 million 20-year sustainability-linked loan (SLL), arranged by CIBC Caribbean and backed by USD 300 million in guarantees - USD 150 million each from the IDB and the EIB.

The debt conversion created the necessary fiscal space to finance upgrades to South Coast Water Reclamation Project (further details provided in the section on Project

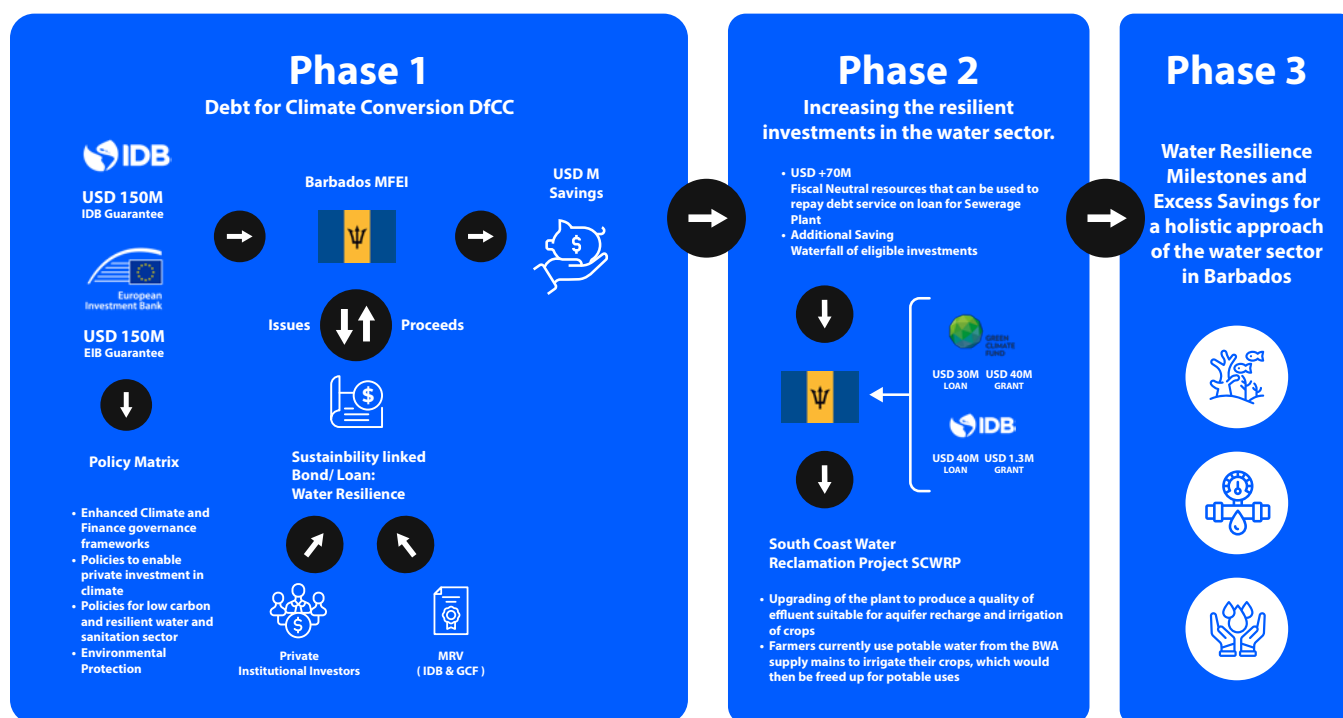
BA-L1063) and additional water resilience investments such as non-revenue water (NRW), wastewater infrastructure and capacity building that will enhance the adaptive capacity of the water and sanitation sector in Barbados. To fund the upfront capital expenditure, the GCF is providing a USD 40 million grant, while the IDB and the GCF are providing USD 70 million in loans.

The policy program under this operation focused on strengthening climate governance as well as developing tax and debt management policies, institutions and instruments to increase fiscal space and resilience to climate change and natural disasters. These areas are linked to the DFCT and ensured that the necessary institutional framework was in place to undertake the transaction. Key policy climate and/or water sector reforms included:

- Cabinet approval of the Barbados 2035: High-Level Investment Plan for Prosperity & Resilience —provides the required framework to guide the resiliency investment strategy through adequate prioritization and

decision-making criteria for the short and medium terms

- Creation of a steering committee directed to meet the Transparency Requirements of the Paris Agreement
- Cabinet approval of Water Resilience Commitments that will guide investments in the water sector over the coming years
- Cabinet approval of a comprehensive NRW Reduction Strategy and Implementation Plan to increase resilience and water security



| Key figures | |
|-----------------------------|---|
| Financial Terms | <ul style="list-style-type: none"> • CIBC arranged a 20-year amortizing sustainability-linked loan of USD 296.4 million in BBD. • IDB and EIB provided USD 150 million guarantee each. • Barbados repurchased domestic bonds: (i) Series B: USD 10.1M at 86 cc³⁵; (ii) Series D: USD 14.6M at 79 cc; and (iii) Series E: USD 273.2 at par. • IDB and GCF are providing a total of USD 110 million upfront funding for the project. |
| Savings | <ul style="list-style-type: none"> • USD 125 million (~USD 100 million in NPV) |
| Governance | <ul style="list-style-type: none"> • Creation of an independent government account |
| Key conservation milestones | <ul style="list-style-type: none"> • 1,550,000 m3/year of reclaimed water produced at the South Coast Water Reclamation and Reuse Facility (SCWRRF) and available for reuse that meets local and international standards by 2032 |

35 Cents on the dollar



Increasing Water Resilience in a Water Scarce Country

2024

BA – L1063 Barbados Climate Resilient South Coast Water Reclamation

Project Objective:

This project aims to strengthen Barbados' climate resilience by enhancing the reliability and sustainability of its water supply. It prioritizes adaptive water management and environmental protection to support long-term water and food security.

Climate Context:

Barbados is one of the world's 20 most water-scarce nations, with only 285 m³ of freshwater available per capita annually, as classified by the Falkenmark indicator. Climate change is expected to intensify this scarcity through increased temperatures, shifting rainfall patterns, decreased precipitation, and extreme weather events. These impacts are set to pose further challenges to the water sector, especially with increasing competing demands for freshwater as Barbados seeks to develop and grow its economy.

Current water scarcity is exacerbated by the limited resilience and reliability of water sources.

The main contributing factors are:

- Lack of diversity in water supply sources – Barbados relies heavily on groundwater as its primary source of potable water. Based on current abstraction rates, estimated groundwater yields and climate projections for rainfall, the lack of alternative freshwater sources will pose a significant risk to supply continuity. This underscores the urgent need to reduce the country's dependency on groundwater and incorporate diverse water sources for more resilient and continuous water availability.
- Over abstraction of aquifers - Current groundwater production is near maximum sustainable yields. Changes in rainfall patterns and volume are also affecting timing and quantity of recharge, and aquifers are vulnerable to contamination from land sources and seawater intrusion, reducing the long-term viability of aquifers.
- Non-optimal use of potable and/or

groundwater for agriculture - Population growth and the associated increase in demand for drinking water and food, especially as the country strives to achieve an enhanced level of food security, can be expected to lead to an increase in demand for water for agriculture which would exacerbate water scarcity.

- Operational inefficiencies and lack of monitoring capacity affecting water resource management - The lack of real-time information on groundwater resources hinders informed decision-making, which results in operational inefficiencies.

Project Interventions:

Water reclamation infrastructure – The construction of the new South Coast Water Reclamation and Re-use Facility (SCWRRF) will treat wastewater to the tertiary level, followed by an Advanced Water Treatment side stream to enable reuse for irrigation and groundwater recharge. This is expected to contribute an additional 3.05 mm³ of reclaimed water that will enter Barbados' water cycle annually. By 2050, model projections estimate that water availability (all things being equal) will be 98 m³/person/year without the project, compared to 238 m³/person/year with the project, significantly improving water security.

Reclaimed water distribution – Approximately 25 km of pipelines will be installed to transport reclaimed water from the facility to irrigate agricultural lands, providing a sustainable source of water for small leasehold farmers. During the rainy season, the reclaimed water will be primarily distributed via a 4km pipeline and other installed infrastructure (wells, boreholes and pumping stations) to facilitate managed aquifer recharge. This new water source will reduce dependency on depleting groundwater sources while also bolstering aquifer reserves for long-term sustainability.



Ecosystem-Based Adaptation at Graeme Hall Swamp Natural Heritage Conservation Area (GHSNHCA) – The Graeme Hall Swamp is a coastal wetland area comprising mangrove forests, a seagrass bed, a shallow nearshore coral reef and a lake that is the largest body of inland water on the island. It includes the island’s only freshwater mangrove wetland and is designated as a Wetland of International Importance under the Ramsar Convention on Wetlands (Ramsar, 2006)³⁶.

Clean Energy Integration for Water Infrastructure - A 7MW solar photovoltaic installation with battery storage will provide RE to reduce GHG emissions and support Barbados’ transition to a fossil fuel free country.

The existing SCSTP has experienced plant failures in recent years which have adversely impacted the GHSNHCA and led to the intermittent discharge of primary treated sewage into the Swamp between 2017 and 2019³⁷. Under this project, climate finance will support upgrades to the existing SCSTP and facilitate its interconnection with the new SCWRRF. Improving the operational efficiency of SCSTP will therefore help to avoid the negative impacts from accidental or emergency discharges. Further, this project will also include baseline assessments and the development of management plans to support the protection and restoration of this wetland, addressing anthropogenic environmental impacts and associated climate change threats.

A key element of the project is the approved GCF Funding Proposal, which provides USD 30 million in loans and USD 40 million in grants, made possible through the innovative DFCT that created the fiscal space required to upgrade the South Coast sewage treatment plant into a modern water reclamation facility.

36 <https://www.cbd.int/doc/publications/cbd-ts-22.pdf>

37 https://www.cavehill.uwi.edu/cermes/wp-content/uploads/sites/38/Mahon_et_al_2025_Graeme_Hall_Swamp_Review_CTR_110.pdf?redirected=1



Developing and Operationalizing the Enabling Environment for Sustainable Governance

2024

BA-L1061 Sustainable Development Policy Program III

Project Objective:

The aim of this Project is to improve the country's governance of sustainability through the strengthening and modernization of the regulatory framework.

Climate Context:

Barbados relies primarily on groundwater for its potable water supply. The quality of this groundwater can be adversely affected by nutrient loading from the discharge of residential and commercial sewage directly into the ground, as well as flood waters which may overwhelm the sewer system. These may also impact coral reefs and other marine biodiversity.

A decrease in annual precipitation as projected under climate change could lead to increased concentrations of potential contaminants in groundwater. At the same time, increased rainfall intensity may exacerbate flood risk while sea-level rise will likely cause coastal erosion, saline intrusion, and flooding, impacting the beaches that protect Barbados' coastal regions.

Project Interventions:

The factors highlighted above emphasize the need for stronger regulation of stormwater management and groundwater zoning. These were advanced to the level of policy and draft legislation under prior operations but still needed formal incorporation into law.

This operation is the third loan in a programmatic series of three consecutive operations. At the inception of this three-part Policy- Based Program (PBP), it was established that the regulatory framework needed to be strengthened in three critical areas (outside of the energy sector) for the success of the R2RP:

| Critical Areas | Policy Conditions Approved |
|--|---|
| <p>Spatial planning, development control, and water resource management with an emphasis on land use management, stormwater management, and groundwater zoning.</p> | <p>As of 2024, the following have been completed:</p> <ul style="list-style-type: none"> • Mains Laying and Replacement Plan (2023) • Barbados Water Authority Amendment Bill (2023) which provides for, inter alia, the institutional strengthening of the BWA, the establishment of water protection zones and the management of wells • Water Reuse Act (2023) • Barbados Transport and Mobility Policy (2023) which seeks to provide recommendations that will be sustainable and improve current as well as future land transport conditions and efficiency • Draft Physical Development Plan Amended (2023) which incorporates community planning areas and strategic reinvestment areas |
| <p>Natural asset management with an emphasis on the coastal zone and natural capital management, and solid waste management.</p> | <p>As of 2024, the following have been completed:</p> <ul style="list-style-type: none"> • Draft Integrated Coastal and Marine Management Bill (2023) was approved by cabinet • Approved Integrated Solid Waste Management Policy • Action Plan for Ecosystem Services Accounting |
| <p>Disaster risk management and resilience with an emphasis on disaster risk management programming, disaster risk financing and financial protection, disaster risk identification and assessment, and adaptation and mitigation measures to address disaster risks associated with climate change.</p> | <p>As of 2024, the following have been completed:</p> <ul style="list-style-type: none"> • Policy and Gender Sensitive Protocols for the Retrofitting of Low and Middle-Income Residential Buildings to Improve their Resilience has been produced which provides the framework for integrating sustainability and incorporating resilience for low- and middle-income housing in Barbados. • MOUs have been signed between the Department of Emergency Management and the Roving Response Team and the Ministry of Agriculture and Food Security with 5 food distributors to ensure food supply post disaster or emergency. • Housing Stock Assessment Report that summarizes the findings of the national Seek and Secure housing resilience assessment which obtain information regarding the housing stock across Barbados. This will provide an evidence base for future housing policies. • CARICOM Code of Practice for the Construction of Homes to guide the incorporation of more resilience in new home construction |



Greening the Energy Matrix & Promoting Electromobility in Barbados

2020

BA-L1043/BA-G1002 Sustainable Energy Investment Program (SMART FUND II)

Project Objective

To reduce Barbados' dependency on imported fossil fuels through the increased use of RE and EE technologies.

Climate Context

Barbados relies heavily on imported oil products to supply its energy needs. Approximately 96.2% of its electricity is generated using liquid fossil fuels and 3.8% with solar PV. Similarly, the transportation sector is dominated by fossil fuel powered vehicles, with a public transportation system that consists mainly of diesel powered buses. This dependence on imported fossil fuels has serious implications for energy security, balance of payments, the environment and energy-dependent sectors.

Project Interventions

The GoB aims to achieve 100% RE and a carbon-neutral economy by 2030. In line with this, the project involves components to increase RE and EE penetration, and expand the electromobility fleet in both the private sector, through SMEs, and the public sector.

This operation builds on IDB's previous PSSEP which also supported Barbados' transition to a sustainable energy sector.



Promotion of EE and RE in SMEs

- Grants for pre-investment studies and pilots (feasibility studies, technical design etc.) for EE and RE projects in SMEs will be provided. As of 2024, 72 pre-investment studies have been completed.
- Loans will be offered to SMEs to implement selected EE and RE projects, particularly in the tourism sector for solar PV systems, lighting replacement and energy-efficient AC systems. As of 2024, 5 loans have been approved.
- An AC rebate facility will be established to replace inefficient AC systems with new energy-efficient and ODS free systems.
- In the public sector, pre-investment studies and implementation of EE and RE projects will be conducted in public buildings, including hospitals, clinics, schools, and administrative facilities, with approximately 100 public buildings expected to be retrofitted.
- The EV fleet of the GoB will be expanded by financing the purchase of EVs and the installation of EV charging stations (both public sector vehicles and buses). As of 2024, 10 public electric buses with charging systems have been purchased and are in operation.



Building Transparency for Digital Climate Accountability

2022

BA-G1004 Strengthening Institutional and Technical Capacity for Barbados to meet the transparency requirements of the Paris Agreement

Project Objective

The aim of this investment grant is to strengthen the country's transparency framework through the design and implementation of a fully functional and harmonized domestic MRV system for the effective implementation of the country's NDC and other transparency-related activities.

Climate Context

The Paris Agreement was a paradigm shift in global climate change negotiations and policy. Article 13 of the Paris Agreement provides for an enhanced transparency framework; Article 13.1 of the Paris Agreement states, "In order to build mutual trust and confidence and to promote effective implementation, an enhanced transparency framework for action and support, with built-in flexibility which takes into account Parties' different

capacities". Currently, Barbados does not have the arrangements in place to meet the requirements of the enhanced transparency framework under Article 13 of the Paris Agreement. Fundamentally, Barbados lacks the capacity and resources to comply with the Paris Agreement. There is no established MRV system that allows Barbados to report mitigation and adaptation actions and policies effectively and comprehensively, and to monitor the financial resources that have been allocated and received to address climate change. In this context, Barbados seeks to gain access to additional international climate resources and has requested support from the IDB under the CBIT window of the Global Environmental Facility (GEF) to strengthen its institutional and technical capacities to meet the enhanced transparency requirements under the Paris Agreement.

Project Interventions

- **Component 1: Enhancing Barbados' GHG Inventory.** This component focuses on working closely with data providers and key stakeholders to improve the quality and completeness of GHG data across various sectors. It aims to build the capacity of institutions, public servants, and other partners to better prepare, generate, and manage GHG inventory data. By addressing existing data gaps, this work will lay a strong foundation in the development of a carbon market mechanism by Barbados. It will provide a new GHG inventory for Barbados under the guidelines of UNFCCC and a key product for the climate governance of the country.
- **Component 2: Strengthening the MRV System and Transparency Framework.** The activities to be developed will enhance existing datasets and help establish a fully functional MRV system that tracks climate mitigation, adaptation, technology transfer, and climate finance. This component will also develop clear reporting guidelines and accounting procedures, supported by a centralized information management system. A digital platform will be created to monitor emissions, NDC targets (including mitigation and adaptation), and support received—ensuring transparency and accountability every step of the way.
- **Component 3: Knowledge Sharing and Capacity Building.**

This component aims to equip stakeholders with the knowledge and tools needed to meet transparency requirements under the UNFCCC, while taking into account the specific context and needs of the country. A series of training sessions and workshops will be held to ensure long-term success. Additionally, a Climate Change Knowledge Platform will be developed to increase the accessibility of climate information and facilitate its use in decision-making across sectors. This platform will host guidelines, protocols, training materials, and more—helping stakeholders stay informed and engaged well beyond the life of the project.



Generating Knowledge on Climate Change and Macroeconomic Analysis

2024

Project Objective

The IDB supported the development of a paper which provided a regional analysis of the effects of climate change on sovereign creditworthiness, credit ratings, probability of default and the cost of borrowing for the following countries: the Bahamas, Barbados, Guyana, Jamaica, Suriname, and Trinidad and Tobago. The methods build on the world's first climate-adjusted sovereign credit rating by Klusak et al. (2023), but has been adapted to reflect the unique economic, geographic, and policy contexts within the region. This study can improve the identification and management of sovereign climate risk and provides a forward-looking assessment of how climate change could affect the cost of accessing international finance. As such, it leads to a suite of policy options for countries in the region.

Climate Context

Climate change is an existential threat to the world economy, with complex, evolving and nonlinear dynamics that remain a source of great uncertainty. There is burgeoning literature on the economic

impact of climate change, but research on how climate change affects sovereign risks is limited for the Caribbean. As the physical and transition-related impacts of climate change become increasingly urgent, policy interest in understanding how they translate into macroeconomic and financial risks is growing.

This study can improve the identification and management of sovereign climate risk and provides a forward-looking assessment of how climate change could affect the cost of accessing international finance. As such, it leads to a suite of policy options for countries in the region.

Chapter

7



Climate Finance

from a Private Sector Scope
IDB Invest in Barbados

Climate Finance from a Private Sector

Scope: IDB Invest in Barbados

IDB Invest is committed to accelerating climate action and becoming a climate-smart institution. This commitment is embodied in the IDB Invest+ strategy, which aims to integrate climate considerations across all aspects of the institution. The strategy focuses on promoting climate resilience to support decarbonization and increasing the volume of transactions that support mitigation and adaptation strategies.

IDB Invest works across sectors including Infrastructure and Energy (IEN), Financial Institutions (FLI), and Corporate Division (SMC). Overall, its climate focus areas include market opportunities, carbon markets, biodiversity, circular economy, energy, sustainable forestry and land use, agriculture and aquaculture, water, and wastewater.

At the institutional level, IDB Invest+ aims to have 60% of its portfolio in green and climate finance by 2028, of which 55% is specifically allocated to climate investments and 5% to other green activities. IDB Invest offers a specialized climate team that identifies industry trends, conducts sector-specific research, and supports clients in generating green and sustainable business opportunities and investments.

Since 2016, IDB Invest has committed over USD 110 million to 12 transactions in Barbados, including national and regional operations. Of this, USD 14.6 million has supported climate and green finance initiatives and 97% of these resources (USD 14 million) have been allocated to mitigation efforts, while 3% has supported adaptation initiatives. Additionally, transport has received the largest share of climate financing by sector, followed by social infrastructure and investment funds.

FIGURE 7.1 Amount Committed in Barbados 2016-2024

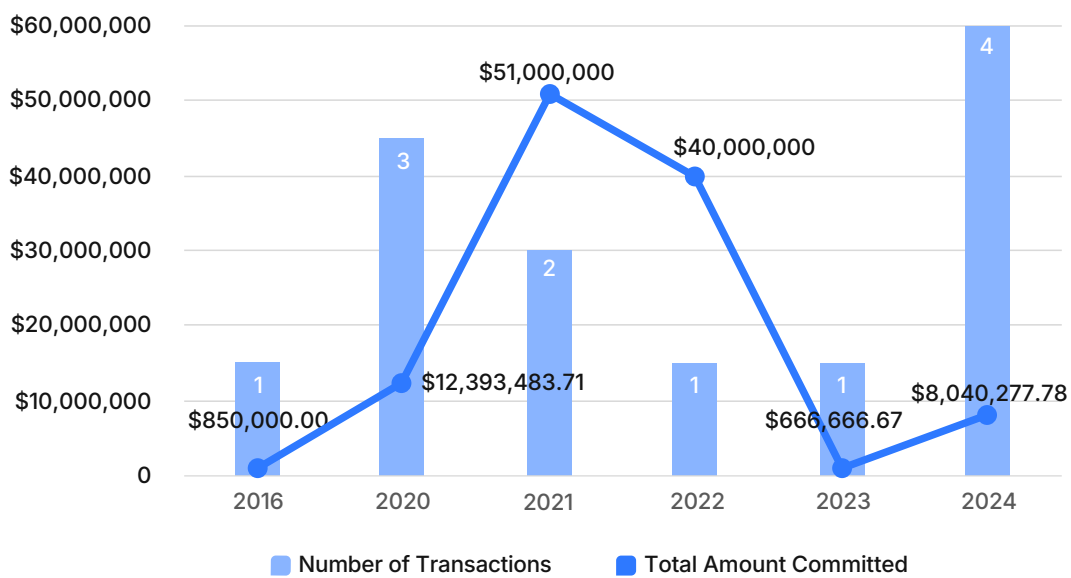


FIGURE 7.2 Climate Finance Evolution per year

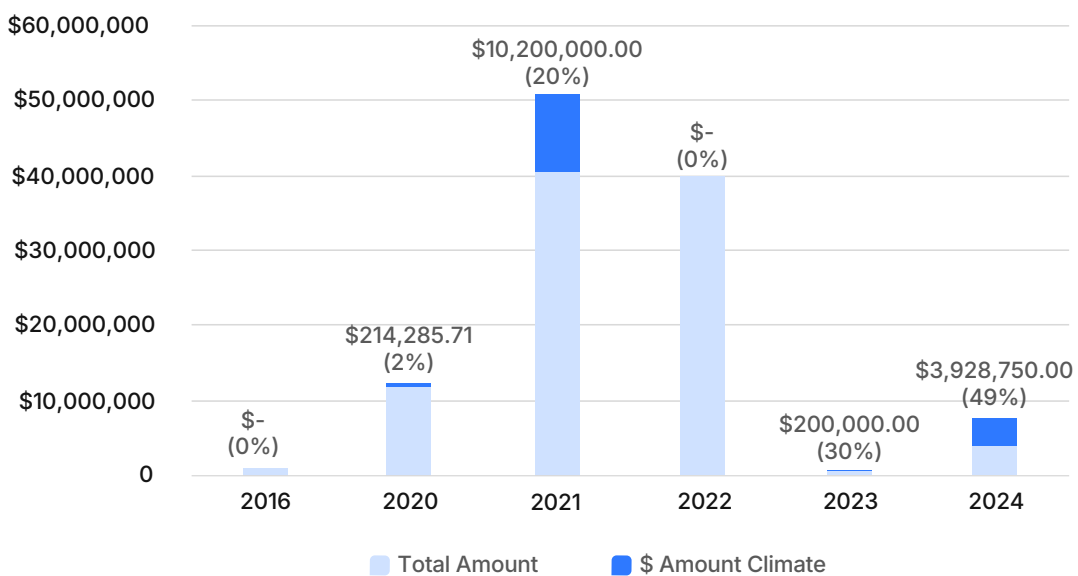
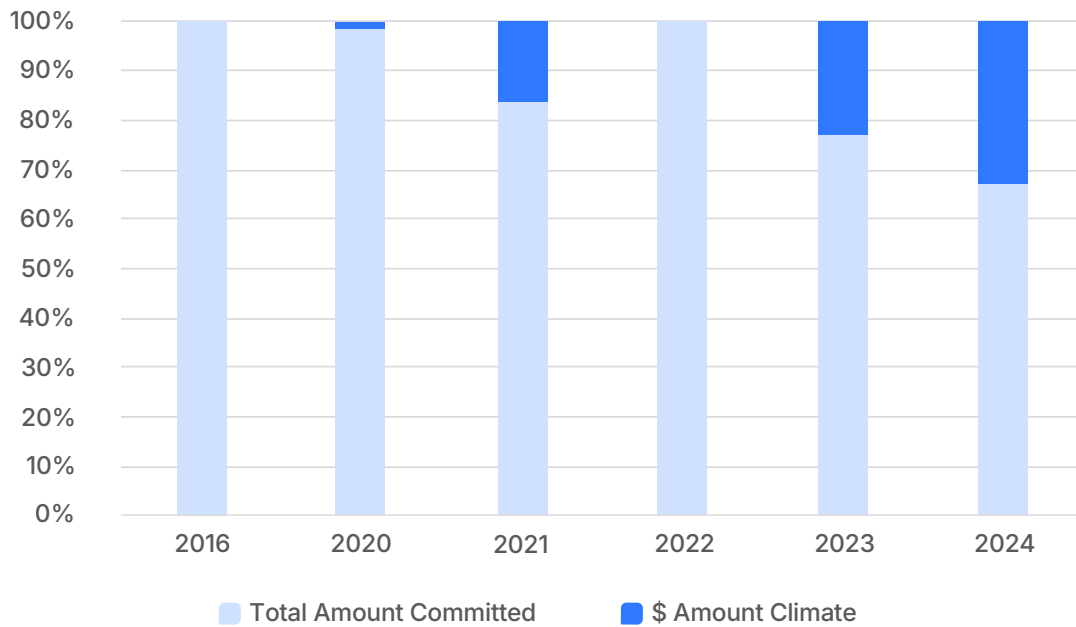


FIGURE 7.3**% Climate Finance per year**

IDB Invest helps businesses drive sustainable growth by refining strategies, adopting new technologies, and attracting capital through innovative financial mechanisms. Its advisory services support economically and environmentally sustainable business models, including climate innovation efforts, such as diversifying energy sources and piloting new technologies. The team structures green investments, conducts feasibility studies and risk analyses, and promotes market development through taxonomies and sustainable certifications.

Since 2018, IDB Invest has supported 40 engagements³⁸ with USD 3.3 million in resources, including 18 advisory services and 22 knowledge products, benefiting Barbados at both the national and regional levels, with over USD 3.3 million in committed resources.

FIGURE 7.4

Advisory Services that includes Barbados as a Beneficiary

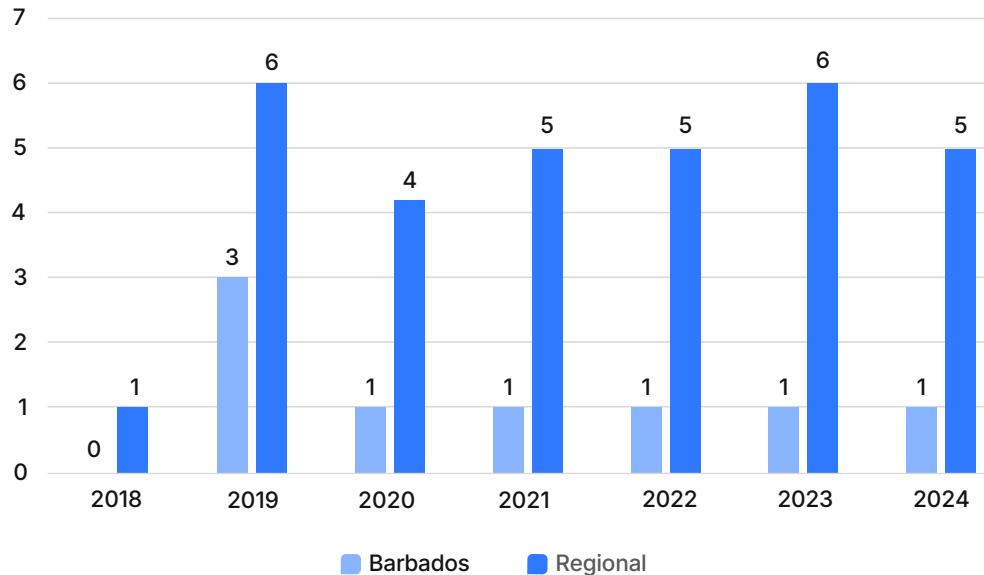
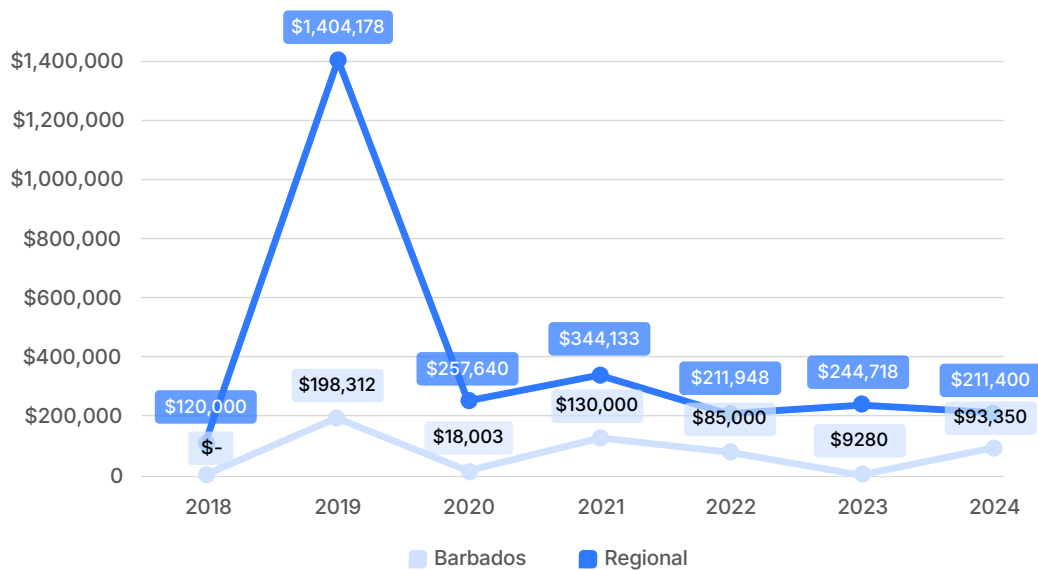


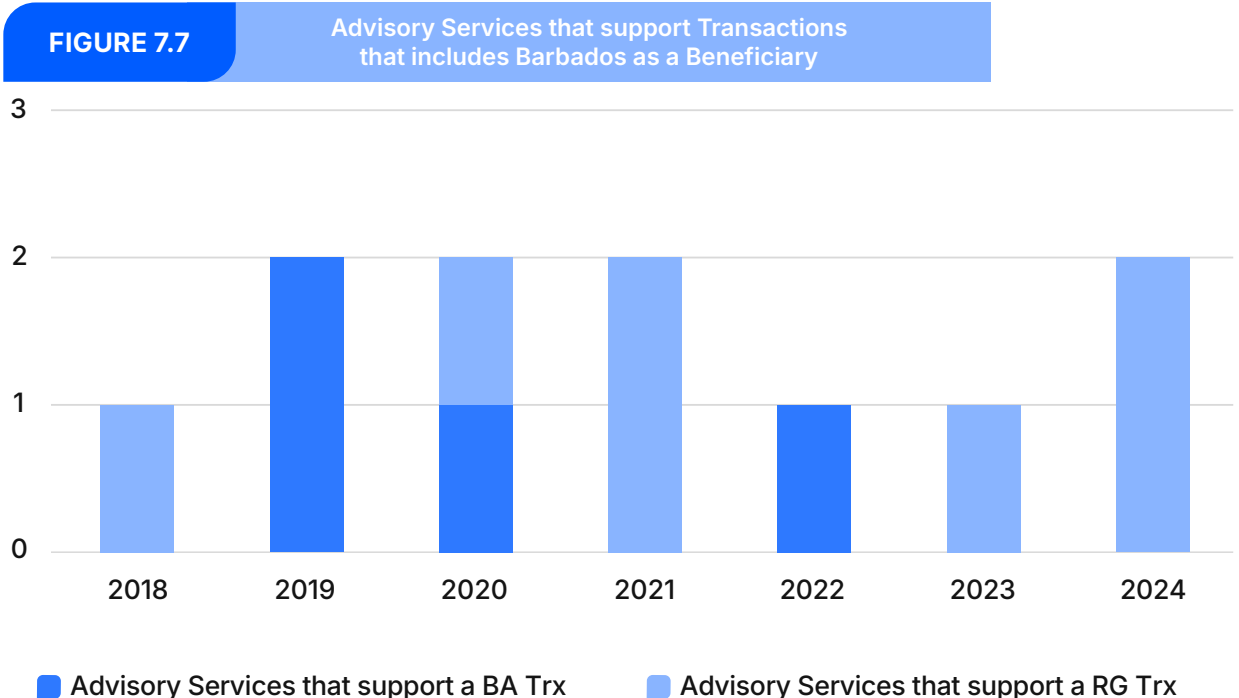
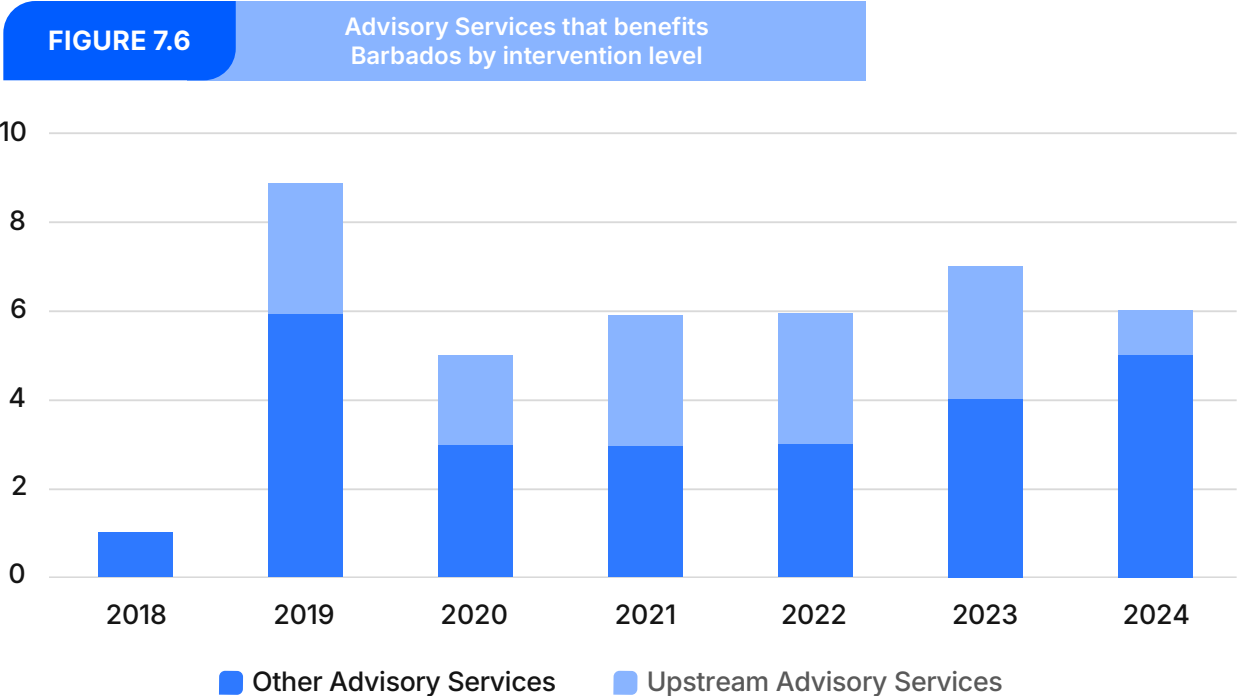
FIGURE 7.5

Total Committed in Advisory Services that includes Barbados as a beneficiary



³⁸ This amount just includes the advisory engagements lead or co-lead by the team of Climate and Environment (CLE). There are other advisory engagements lead or co-lead by units that do not include CLE as Gender and Diversity (GDI), Digitalization and MSMEs.

Within the framework of advisory services, 60% have supported upstream activities at the market level, including knowledge products, sustainable finance lines and strategies, tailor-made approaches, and upskilling programs. The remaining 40% of operations have addressed non-upstream activities such as feasibility studies, corporate governance products, and capacity building.



Highlights and Lessons Learned from Ongoing Projects

As part of the advisory initiatives, IDB Invest advances projects related to coastal infrastructure and ecosystem services to enhance climate resilience.

Barbados Water Authority Solar and Storage + Tariffs Study

This advisory service is a national initiative conducting an upstream market-level study, which includes a technical and economic feasibility analysis for a solar and battery storage project. Additionally, it involves a water tariff study aimed at ensuring the financial sustainability of the Barbados Water Authority (BWA) through cost analyses, financial models, and tariff proposals for regulatory submission. This initiative aligns with the Barbados 2035 Investment Plan for Prosperity and Resilience, ultimately leading to upgraded water infrastructure and enhanced climate resilience. In addition, there is an ongoing commitment to support the BWA's energy transition and strengthen its energy supply strategy.

Looking forward

Barbados envisions becoming a resilient island with robust infrastructure, a community-oriented and sustainable tourism sector, and achieving complete energy independence through renewable sources. This ambitious goal requires significant private sector financing and aims to mobilize resources through mechanisms such as green guarantees and insurance to attract large-scale institutional capital.

IDB Invest is closely aligned with Barbados' priorities, particularly in advancing climate action—one of the key pillars for expanding the energy sector. The strategic plan proposed by the IDB Group emphasizes social and climate resilience, incorporating both mitigation and adaptation strategies to support Barbados and the broader Caribbean region in achieving resilience. As part of this effort, the IDB Group aims to play a critical role in mobilizing resources. Currently, there are ongoing conversations with key private partners to leverage resources for the Caribbean.

Resilience-building for Barbados involves two key dimensions: mitigation and adaptation. It is vital to help the country meet its CO₂ emissions targets while also enhancing adaptation across various sectors, including energy, manufacturing, agribusiness, and sustainable tourism. IDB Invest's support extends to initiatives such as the Barbados Port and the tourism industry, helping transition to green alternatives. Achieving these objectives requires a regulatory framework and institutional capacity that fosters a market conducive to private sector engagement.

The private sector is pivotal in driving Barbados's sustainable development. Innovative technologies across sectors will accelerate the energy transition, allowing the country to achieve resilience while reducing its dependence on traditional energy sources. IDB Invest, as part of its commitment to multilateral development banks (MDBs), recognizes that catalyzing resources remains a major challenge. Promoting upstream activities to identify opportunities and tackle obstacles will be essential for fostering growth and resilience.

Additionally, the consolidation of strategic partnerships with IDB Invest has enabled the development of blended finance solutions to catalyze private investment in support of net-zero, climate-resilient growth across priority sectors in SIDS forming part of the IDB Invest portfolio.

The IDBG emphasizes integral collaboration between IDB and IDB Invest to deliver joint solutions. IDB is pivotal in addressing regulatory needs, laying the groundwork for private sector engagement. Strengthening these foundations fosters collaboration with key stakeholders and mainstreams solutions across sectors, recognizing that challenges and readiness vary. As part of its renewed approach, IDB Invest plays a central role in bridging investment gaps and strengthening the enabling conditions required to meet high-impact development standards. Through a combination of financing and advisory services, it contributes to building institutional and technical capacity, positioning itself as a key driver of resilience and sustainable private sector development.



Chapter



8



Conclusion



Conclusion

This report demonstrates that climate finance, when strategically deployed, can serve as a catalyst for systemic transformation. The IDB's partnership with Barbados has evolved from sector-specific interventions to a holistic, cross-cutting approach that integrates climate resilience into every facet of national development.

Key findings from this report include:

- Barbados has successfully mobilized nearly USD 751 million in climate finance from the IDBG between 2012 and 2024, with a sharp increase in annual approvals post-2018, which have remained steady after 2020.
- The country has leveraged innovative instruments, such as policy-based guarantees for debt conversions, to unlock savings and fiscal space for climate investments without exacerbating debt burdens.
- Climate finance has been effectively mainstreamed across sectors, from energy and water to education and governance, with adaptation receiving the largest share of funding.

The importance of continuous scaled-up support cannot be overstated. As climate impacts intensify, the cost of inaction will far exceed the cost of proactive investment. For Barbados, climate-related damages could rise from 5% of GDP in 2025 to over 20% by 2100 without enhanced mitigation and adaptation measures.

To sustain momentum, the following priorities are essential:

- Ensure that the Government has the details of the climate finance assessments to enhance and scale up good practices in their sectoral portfolios.
- Strengthen institutional capacity: Continued investment in governance, data systems, and technical expertise will be critical to effectively implementing and monitoring climate investments.
- Mobilize private capital: Blended financial instruments, guarantees, and regulatory reforms should be scaled to attract institutional investors and catalyze private sector participation.
- Foster regional cooperation: Caribbean SIDS can benefit from shared platforms, pooled resources, and harmonized policies to amplify their collective voice and impact.

Barbados' journey illustrates that climate finance is not merely about funding projects—it is about enabling a vision, a vision of a resilient, inclusive, and sustainable future.

Appendix A - IDB Projects in Barbados (2012-2024)

| Number | Title | Dept/Div. | Operation type | Approval Year | Approval Date | Original Approved | % Climate Finance | % only Mitigation | % only Adaptation | % Dual | US\$ only Mitigation | US\$ only Adaptation | US\$ dual | \$ Total climate finance | Sectors |
|----------|---|-----------|-----------------------|---------------|---------------|-------------------|-------------------|-------------------|-------------------|--------|----------------------|----------------------|-----------|--------------------------|----------------------|
| BA-T1022 | Action Plan for C and D Countries | CCB/CBA | Technical Cooperation | 2012 | Jul-4-2012 | 163,913.00 | 0% | 0.00% | 0.00% | 0.00% | \$0 | \$0 | \$0 | \$0 | Knowledge |
| BA-T1020 | Modernisation of the National Procurement System | CCB/CBA | Technical Cooperation | 2012 | Feb-29-2012 | 15,500.00 | 0% | 0.00% | 0.00% | 0.00% | \$0 | \$0 | \$0 | \$0 | Governance |
| BA-T1023 | Study Tour to Jamaica for Officials from the Government of Barbados (GOB) | SCL/EDU | Technical Cooperation | 2012 | Apr-20-2012 | 9,790.00 | 0% | 0.00% | 0.00% | 0.00% | \$0 | \$0 | \$0 | \$0 | Education |
| BA-L1016 | Skills for the Future | SCL/EDU | Investment Loan | 2012 | 21-Jun-12 | 20,000,000.00 | 0% | 0% | 0.00% | 0.00% | \$0 | \$0 | \$0 | \$0 | Education |
| BA-L1025 | Public Sector Smart Energy (PSSE) Program | INE/ENE | Investment Loan | 2012 | 25-Jun-12 | 17,000,000.00 | 100% | 100% | 0.00% | 0.00% | \$17,000,000 | \$0 | \$0 | \$17,000,000 | Energy |
| BA-T1021 | Support for Fiscal Consolidation | IFD/FMM | Technical Cooperation | 2012 | Jun-29-2012 | 300,000.00 | 0% | 0.00% | 0.00% | 0.00% | \$0 | \$0 | \$0 | \$0 | Fiscal |
| BA-T1024 | Barbados-Jamaica-Preparation of a Water Utility for Economic Regulation | INE/WSA | Technical Cooperation | 2012 | Sep-20-2012 | 15,000.00 | 0% | 0.00% | 0.00% | 0.00% | \$0 | \$0 | \$0 | \$0 | Water and Sanitation |
| BA-T1026 | Action Plan for C and D Countries | CCB/CBA | Technical Cooperation | 2013 | Jan-7-2013 | 154,858.00 | 0% | 0.00% | 0.00% | 0.00% | \$0 | \$0 | \$0 | \$0 | Knowledge |

| Number | Title | Dept/Div. | Operation type | Approval Year | Approval Date | Original Approved | % Climate Finance | % only Mitigation | % only Adaptation | % Dual | US\$ only Mitigation | US\$ only Adaptation | US\$ dual | \$ Total climate finance | Sectors |
|----------|---|-----------|-----------------------|---------------|---------------|-------------------|-------------------|-------------------|-------------------|--------|----------------------|----------------------|-----------|--------------------------|-----------------|
| BA-T1027 | Study Tour on the Agricultural Sector (Food Security) in Brazil | INE/RND | Technical Cooperation | 2013 | Feb-27-2013 | 20,000.00 | 0% | 0.00% | 0.00% | 0.00% | \$0 | \$0 | \$0 | \$0 | Agriculture |
| BA-X1003 | Support for the Public Sector Smart Energy Program | INE/ENE | | 2013 | 25-Jun-13 | 5,810,000.00 | 100% | 100% | 0.00% | 0.00% | 5,810,000.00 | \$0 | \$0 | \$5,810,000 | Energy |
| BA-T1025 | Capacity Building Ecosystem Services Valuation ICZM Best Practice Dissemination | CSD/RND | Technical Cooperation | 2013 | Jul-29-2013 | 600,000.00 | 100% | 0.00% | 100.00% | 0.00% | \$0 | \$600,000 | \$0 | \$600,000 | Natural Capital |
| BA-T1029 | Action Plan for C and D Countries | Knowledge | Technical Cooperation | 2014 | Jan-7-2014 | 156,376.00 | 0% | 0.00% | 0.00% | 0.00% | \$0 | \$0 | \$0 | \$0 | Knowledge |
| BA-T1030 | Implementation of the ESCI in the City of Bridgetown, Barbados | IFD/FMM | Technical Cooperation | 2014 | Jul-21-2014 | 100,000.00 | 50% | 25.00% | 25.00% | 0.00% | \$25,000 | \$25,000 | \$0 | \$50,000 | Urban Planning |
| BA-T1031 | Implementation of the ESCI in the City of Bridgetown, Barbados | IFD/FMM | Technical Cooperation | 2014 | Jul-21-2014 | 900,000.00 | 50% | 25.00% | 25.00% | 0.00% | \$225,000 | \$225,000 | \$0 | \$450,000 | Urban Planning |
| BA-T1033 | Support to the Preparation of National Tourism Program BA-L1033 | Tourism | Technical Cooperation | 2014 | Oct-28-2014 | 450,000.00 | 0% | 0.00% | 0.00% | 0.00% | \$0 | \$0 | \$0 | \$0 | Tourism |
| BA-T1035 | Study Tour to Brazil and Chile, Part 2: Tourism Development | Tourism | Technical Cooperation | 2014 | Nov-25-2014 | 15,000.00 | 0% | 0.00% | 0.00% | 0.00% | \$0 | \$0 | \$0 | \$0 | Tourism |

| Number | Title | Dept/Div. | Operation type | Approval Year | Approval Date | Original Approved | % Climate Finance | % only Mitigation | % only Adaptation | % Dual | US\$ only Mitigation | US\$ only Adaptation | US\$ dual | \$ Total climate finance | Sectors |
|----------|---|-----------|-----------------------|---------------|---------------|-------------------|-------------------|-------------------|-------------------|--------|----------------------|----------------------|-----------|--------------------------|--|
| BA-T1036 | Study Tour to Brazil and Chile, Part 1: Tourism Development | Tourism | Technical Cooperation | 2014 | Nov-25-2014 | 14,980.00 | 0% | 0.00% | 0.00% | 0.00% | \$0 | \$0 | \$0 | \$0 | Tourism |
| BA-L1034 | Enhanced Access to Credit for Productivity Project | IFD/CMF | Investment Loan | 2014 | 15-Dec-14 | 17,500,000.00 | 0% | 0% | 0.00% | | \$0 | \$0 | \$0 | \$0 | Capital Markets and Financial Institutions |
| BA-L1034 | Enhanced Access to Credit for Productivity Project | IFD/CMF | Investment Loan | 2014 | 15-Dec-14 | 17,500,000.00 | 0% | 0% | 0.00% | 0.00% | \$0 | \$0 | \$0 | \$0 | Capital Markets and Financial Institutions |
| BA-T1039 | Action Plan for C and D Countries | Knowledge | Technical Cooperation | 2015 | Jan-7-2015 | 154,014.00 | 0% | 0.00% | 0.00% | 0.00% | \$0 | \$0 | \$0 | \$0 | Knowledge |
| BA-T1032 | Strengthening the Institutional Capacity of the Central Bank of Barbados | CMF | Technical Cooperation | 2015 | Apr-7-2015 | 240,000.00 | 0% | 0.00% | 0.00% | 0.00% | \$0 | \$0 | \$0 | \$0 | Capital Markets and Financial Institutions |
| BA-T1028 | Continuation of Support (SEFB) and Development of New Technologies: SG & RE | INE/ENE | Technical Cooperation | 2015 | May-1-2015 | 650,000.00 | 100% | 100.00% | 0.00% | 0.00% | \$650,000 | \$0 | \$0 | \$650,000 | Energy |
| BA-T1034 | Continuation of Support for SEFB and Development of New Technologies: SG & RE | INE/ENE | Technical Cooperation | 2015 | May-1-2015 | 300,000.00 | 100% | 100.00% | 0.00% | 0.00% | \$300,000 | \$0 | \$0 | \$300,000 | Energy |
| BA-X1004 | Support for the Skills of the Future Program | SCL/EDU | | 2015 | 15-Jun-15 | 598,848.00 | 0% | 0.00% | 0.00% | 0.00% | \$0 | \$0 | \$0 | \$0 | Education |

| Number | Title | Dept/Div. | Operation type | Approval Year | Approval Date | Original Approved | % Climate Finance | % only Mitigation | % only Adaptation | % Dual | US\$ only Mitigation | US\$ only Adaptation | US\$ dual | \$ Total climate finance | Sectors |
|----------|--|-----------|-----------------------|---------------|---------------|-------------------|-------------------|-------------------|-------------------|--------|----------------------|----------------------|-----------|--------------------------|------------------|
| BA-T1038 | Building capacity for public policy enhancement in Social & Labor Intermediation | Social | Technical Cooperation | 2015 | Jul-17-2015 | 260,000.00 | 0% | 0.00% | 0.00% | 0.00% | \$0 | \$0 | \$0 | \$0 | Social and Labor |
| BA-L1032 | Strengthening Human and Social Development in Barbados | Social | Investment Loan | 2015 | 21-Sep-15 | 5,000,000.00 | 0% | 0% | 0.00% | 0.00% | \$0 | \$0 | \$0 | \$0 | Social and Labor |
| BA-L1032 | Strengthening Human and Social Development in Barbados | Social | Investment Loan | 2015 | 21-Sep-15 | 5,000,000.00 | 0% | 0% | 0.00% | 0.00% | \$0 | \$0 | \$0 | \$0 | Social and Labor |
| BA-L1035 | Road Rehabilitation and Improving Connectivity of Road Infrastructure | Transport | Investment Loan | 2015 | 18-Nov-15 | 25,000,000.00 | 0% | 0% | 0.00% | 0.00% | \$0 | \$0 | \$0 | \$0 | Transport |
| BA-T1045 | Action Plan for C and D Countries | CCB/CBA | Technical Cooperation | 2016 | Jan-22-2016 | 251,889.00 | 0% | 0.00% | 0.00% | 0.00% | \$0 | \$0 | \$0 | \$0 | Knowledge |
| BA-T1043 | Learning about the use of Administrative Registries for Statistical Purposes | IFD/ICS | Technical Cooperation | 2016 | Aug-19-2016 | 19,998.00 | 0% | 0.00% | 0.00% | 0.00% | \$0 | \$0 | \$0 | \$0 | Governance |
| BA-T1046 | Study Tour to Uruguay by Officials of the Government of Barbados | INT | Technical Cooperation | 2016 | Aug-30-2016 | 20,000.00 | 0% | 0.00% | 0.00% | 0.00% | \$0 | \$0 | \$0 | \$0 | Trade |
| BA-L1012 | Deployment of Cleaner Fuels and Renewable Energies in Barbados | INE/ENE | Investment Loan | 2016 | 07-Dec-16 | 34,000,000.00 | 15.73% | 15.73% | 0.00% | 0.00% | \$5,348,200 | \$0 | \$0 | \$5,348,200 | Energy |

| Number | Title | Dept/Div. | Operation type | Approval Year | Approval Date | Original Approved | % Climate Finance | % only Mitigation | % only Adaptation | % Dual | US\$ only Mitigation | US\$ only Adaptation | US\$ dual | \$ Total climate finance | Sectors |
|----------|--|-------------|-----------------------|---------------|---------------|-------------------|-------------------|-------------------|-------------------|--------|----------------------|----------------------|-----------|--------------------------|--|
| BA-T1049 | Knowledge Exchange for the Strengthening of the Caribbean Banking System | CCB | Technical Cooperation | 2016 | Dec-7-2016 | 5,872.00 | 0% | 0.00% | 0.00% | 0.00% | \$0 | \$0 | \$0 | \$0 | Capital Markets and Financial Institutions |
| BA-T1051 | Action Plan C&D | CCB/CBA | Technical Cooperation | 2017 | Jan-3-2017 | 248,735.00 | 0% | 0.00% | 0.00% | 0.00% | \$0 | \$0 | \$0 | \$0 | Knowledge |
| BA-L1033 | National Tourism Program | CSD/RND | Investment Loan | 2017 | 25-Oct-17 | 20,000,000.00 | 0.47% | 0.47% | 0.00% | 0.00% | \$94,000 | \$0 | \$0 | \$94,000 | Tourism |
| BA-T1052 | Agribusiness Knowledge Exchange Program | Agriculture | Technical Cooperation | 2017 | Oct-26-2017 | 9,568.00 | 0% | 0.00% | 0.00% | 0.00% | \$0 | \$0 | \$0 | \$0 | Agriculture |
| BA-T1050 | Barbados Business Facilitation | Policy | Technical Cooperation | 2017 | Nov-20-2017 | 170,000.00 | 0% | 0.00% | 0.00% | 0.00% | \$0 | \$0 | \$0 | \$0 | Governance |
| BA-T1055 | Action Plan for C & D | Knowledge | Technical Cooperation | 2018 | Jan-2-2018 | 250,717.00 | 0% | 0.00% | 0.00% | 0.00% | \$0 | \$0 | \$0 | \$0 | Knowledge |
| BA-T1056 | Capacity Building for Barbados in Alternative Dispute Resolution Systems | Knowledge | Technical Cooperation | 2018 | Jun-4-2018 | 200,000.00 | 0% | 0.00% | 0.00% | 0.00% | \$0 | \$0 | \$0 | \$0 | Governance |
| BA-T1054 | Strengthening Human and Social Development in Barbados | SCL/EDU | Technical Cooperation | 2018 | Jun-11-2018 | 150,000.00 | 0% | 0.00% | 0.00% | 0.00% | \$0 | \$0 | \$0 | \$0 | Education |

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|----------|---|--------------|-----------------------|---------------|---------------|-------------------|-------------------|-------------------|-------------------|--------|----------------------|----------------------|-----------|--------------------------|-------------|
| BA-T1053 | Getting an Early Start in Science, Mathematics and Literacy: Creation of a LAB school for Early Childhood Development | SCL/EDU | Technical Cooperation | 2018 | Oct-5-2018 | 150,000.00 | 0% | 0.00% | 0.00% | 0.00% | \$0 | \$0 | \$0 | \$0 | Education |
| BA-T1058 | Knowledge Exchange on Creative Industries | Knowledge | Technical Cooperation | 2018 | Oct-18-2018 | 6,444.00 | 0% | 0.00% | 0.00% | 0.00% | \$0 | \$0 | \$0 | \$0 | Knowledge |
| BA-L1045 | Macroeconomic Emergency Programme to Protect Economic and Social Progress | Institutions | Investment Loan | 2018 | 06-Nov-18 | 100,000,000.00 | 0.00% | 0.00% | 0.00% | 0.00% | | | | \$0 | Governance |
| BA-T1057 | Expanded Support for the Sustainable Energy Framework for Barbados (SEFB) and Development of New Technologies: Energy Storage, Electric Mobility, Ocean Thermal Energy Conversion (OTEC) and Deployment of Renewable Energy | INE/ENE | Technical Cooperation | 2018 | Dec-10-2018 | 200,000.00 | 100% | 100.00% | 0.00% | 0.00% | \$200,000 | \$0 | \$0 | \$200,000 | Energy |
| BA-T1062 | Action Plan C&D | Knowledge | Technical Cooperation | 2019 | Jan-2-2019 | 246,579.00 | 0% | | | | \$0 | \$0 | \$0 | \$0 | Knowledge |
| BA-T1059 | Walkers Reserve Integrated Master Plan and Restoration Pilot | CSD/CCS | Technical Cooperation | 2019 | Jul-18-2019 | 650,000.00 | 100% | 0.00% | 100.00% | 0.00% | \$0 | \$650,000 | \$0 | \$650,000 | Agriculture |

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|----------|---|-----------|-----------------------|---------------|---------------|-------------------|-------------------|-------------------|-------------------|---------|----------------------|----------------------|-------------|--------------------------|----------------|
| BA-T1063 | Strategic Roadmap for the Blue Economy in Barbados | CSD/CCS | Technical Cooperation | 2019 | Sep-24-2019 | 300,000.00 | 100% | 0.00% | 0.00% | 100.00% | \$0 | \$0 | \$300,000 | \$300,000 | Blue Economy |
| BA-T1065 | Supporting Energy Transition Implementation and Smart Energy Technology Expansion in Barbados | INE/ENE | Technical Cooperation | 2019 | Nov-11-2019 | 550,000.00 | 100% | 100.00% | 0.00% | 0.00% | \$550,000 | \$0 | \$0 | \$550,000 | Energy |
| BA-L1043 | Sustainable Energy Investment Program (Smart Fund II) | INE/ENE | Investment Loan | 2019 | 20-Nov-19 | 30,000,000.00 | 100% | 100% | 0.00% | 0.00% | \$30,000,000 | \$0 | \$0 | \$30,000,000 | Energy |
| BA-L1046 | Public Sector Modernization and Efficiency Programme | IFD/ICS | Investment Loan | 2019 | 27-Nov-19 | 40,000,000.00 | 8.21% | 1.46% | 0.00% | 6.75% | \$584,000 | \$0 | \$2,700,000 | \$3,284,000 | Governance |
| BA-T1071 | Action Plan C&D | CCB/CBA | Technical Cooperation | 2020 | Jan-2-2020 | 247,868.00 | 0% | 0.00% | 0.00% | 0.00% | \$0 | \$0 | \$0 | \$0 | Knowledge |
| BA-L1048 | Sustainable Development Policy Program | CSD/HUD | Investment Loan | 2020 | 11-Mar-20 | 80,000,000.00 | 80.00% | 10.00% | 60.00% | 10.00% | \$8,000,000 | \$48,000,000 | \$8,000,000 | \$64,000,000 | Urban Planning |

| Number | Title | Dept/Div. | Operation type | Approval Year | Approval Date | Original Approved | % Climate Finance | % only Mitigation | % only Adaptation | % Dual | US\$ only Mitigation | US\$ only Adaptation | US\$ dual | \$ Total climate finance | Sectors |
|----------|---|-----------|-----------------------|---------------|---------------|-------------------|-------------------|-------------------|-------------------|--------|----------------------|----------------------|-------------|--------------------------|--------------------------------|
| BA-L1048 | Sustainable Development Policy Program | CSD/HUD | Investment Loan | 2020 | 11-Mar-20 | 80,000,000.00 | 80.00% | 10.00% | 60.00% | 10.00% | \$8,000,000 | \$48,000,000 | \$8,000,000 | \$64,000,000 | Urban Planning |
| BA-O0004 | Contingent Loan for Natural Disaster Emergencies | IFD/CMF | Contingent Loan | 2020 | 07-Oct-20 | 80,000,000.00 | 100% | 0.00% | 100.00% | 0.00% | | \$80,000,000 | | \$80,000,000 | Resilience and Risk Management |
| BA-T1068 | Improving: Institutional Frameworks for Integrated Coastal Zone Management, National Risk Information Planning Systems and Sustainable Climate-Resilient Coastal Infrastructure | CSD/RND | Technical Cooperation | 2020 | Nov-12-2020 | 500,000.00 | 100% | 0.00% | 100.00% | 0.00% | \$0 | \$500,000 | \$0 | \$500,000 | Coastal Zone Management |
| BA-L1050 | Programme to Strengthen Public Policy and Fiscal Management in Response to the Health and Economic Crisis Caused by COVID-19 in Barbados | IFD/FMM | Investment Loan | 2020 | 02-Dec-20 | 120,000,000.00 | 6.67% | 6.67% | 0.00% | 0.00% | \$8,004,000 | \$0 | \$0 | \$8,004,000 | Fiscal |
| BA-T1070 | Roadmap for Skills Development in Strategic Sectors in Barbados | SCL/LMK | Technical Cooperation | 2020 | Dec-2-2020 | 100,000.00 | 0% | 0.00% | 0.00% | 0.00% | \$0 | \$0 | \$0 | \$0 | Social and Labor |
| BA-T1076 | Sustainable Development Planning | CSD/HUD | Technical Cooperation | 2020 | Dec-8-2020 | 300,000.00 | 53% | 0.00% | 53.33% | 0.00% | \$0 | \$159,990 | \$0 | \$159,990 | Urban Planning |

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|----------|---|-----------|-----------------------|---------------|---------------|-------------------|-------------------|-------------------|-------------------|--------|----------------------|----------------------|-----------|--------------------------|---|
| BA-T1067 | Skills for the Future (ii) : Digital transformation for inclusive and quality education | SCL/EDU | Technical Cooperation | 2020 | Dec-14-2020 | 150,000.00 | 0% | 0.00% | 0.00% | 0.00% | \$0 | \$0 | \$0 | \$0 | Education |
| BA-L1051 | Global Credit Program for Safeguarding the Productive Sectors and Employment | IFD/CMF | Investment Loan | 2020 | 16-Dec-20 | 30,000,000.00 | 0.00% | 0.00% | 0.00% | 0.00% | \$0 | \$0 | \$0 | \$0 | Capital Markets and Financial Instruments |
| BA-T1081 | Action Plan C&D | CCB/CBA | Technical Cooperation | 2021 | Jan-4-2021 | 374,520.00 | 0% | 0.00% | 0.00% | 0.00% | \$0 | \$0 | \$0 | \$0 | Knowledge |
| BA-T1082 | Support for the Design of Carbon Neutral Strategies in the Context of Energy Transition in Barbados | INE/ENE | Technical Cooperation | 2021 | Oct-29-2021 | 100,000.00 | 100% | 100.00% | 0.00% | 0.00% | \$100,000 | \$0 | \$0 | \$100,000 | Energy |
| BA-T1082 | Support for the Design of Carbon Neutral Strategies in the Context of Energy Transition in Barbados | INE/ENE | Technical Cooperation | 2021 | Oct-29-2021 | 300,000.00 | 100% | 100.00% | 0.00% | 0.00% | \$300,000 | \$0 | \$0 | \$300,000 | Energy |
| BA-L1052 | Sustainable Development Policy Program II | CSD/HUD | Investment Loan | 2021 | 08-Dec-21 | 100,000,000.00 | 85.71% | 0.00% | 85.71% | 0.00% | \$0 | \$85,710,000 | | \$85,710,000 | Urban Planning |
| BA-T1085 | Action Plan C&D | CCB/CBA | Technical Cooperation | 2022 | Jan-3-2022 | 255,866.00 | 0% | 0.00% | 0.00% | 0.00% | \$0 | \$0 | \$0 | \$0 | Knowledge |

| Number | Title | Dept/Div. | Operation type | Approval Year | Approval Date | Original Approved | % Climate Finance | % only Mitigation | % only Adaptation | % Dual | US\$ only Mitigation | US\$ only Adaptation | US\$ dual | \$ Total climate finance | Sectors |
|----------|---|-----------|-----------------------|---------------|---------------|-------------------|-------------------|-------------------|-------------------|--------|----------------------|----------------------|--------------|--------------------------|---|
| BA-T1088 | Barbados Participation in Regional Knowledge Exchange on Operational Command of Gender-based Violence Policing in the Caribbean | IFD/ICS | Technical Cooperation | 2022 | Jul-6-2022 | 20,000.00 | 0% | 0.00% | 0.00% | 0.00% | \$0 | \$0 | \$0 | \$0 | Governance |
| BA-T1086 | Enhancing Sustainability Assets in the context of a Policy Based Guarantee (PBG) | CSD/CCS | Technical Cooperation | 2022 | Jul-29-2022 | 600,000.00 | 100% | 100.00% | 0.00% | 0.00% | \$600,000 | \$0 | \$0 | \$600,000 | Natural Capital |
| BA-U0001 | Program to Support Environmental and Economic Development in Barbados | IFD/CMF | Guarantee | 2022 | Aug-3-2022 | 100,000,000.00 | 77% | 0.00% | 76.92% | 0.00% | \$0 | \$76,920,000 | \$0 | \$76,920,000 | Capital Markets and Financial Instruments |
| BA-G1004 | Strengthening Institutional and Technical Capacity for Barbados to meet the transparency requirements of the Paris Agreement | CSD/CCS | Investment Grant | 2022 | 28-Nov-22 | 1,250,000.00 | 100.00% | 100.00% | 0.00% | 0.00% | \$1,250,000 | \$0 | \$0 | \$1,250,000 | Climate Governance |
| BA-L1053 | Skills for the Future II: Digital Transformation for Inclusive and Quality Education | SCL/EDU | Investment Loan | 2022 | 14-Dec-22 | 20,000,000.00 | 27.00% | 0.00% | 0.00% | 27.00% | | | \$5,412,000 | \$5,412,000 | Education |
| BA-L1056 | Programme to Strengthen Public Policy and Fiscal Management in Response to the Health and Economic Crisis Caused by COVID-19 in Barbados II | IFD/FMM | Investment Loan | 2022 | 14-Dec-22 | 100,000,000.00 | 14.00% | 0.00% | 0.00% | 14.00% | \$0 | \$0 | \$14,060,000 | \$14,060,000 | Fiscal |

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|----------|--|-----------|-----------------------|---------------|---------------|-------------------|-------------------|-------------------|-------------------|---------|----------------------|----------------------|-----------|--------------------------|--------------------|
| BA-T1100 | Action Plan C&D | CCB/CBA | Technical Cooperation | 2023 | Jan-2-2023 | 255,006.00 | 0% | 0.00% | 0.00% | 0.00% | \$0 | \$0 | \$0 | \$0 | Knowledge |
| BA-T1090 | Knowledge Exchange on Life Sciences | IFD/CTI | Technical Cooperation | 2023 | Jan-15-2023 | 19,866.00 | 0% | 0.00% | 0.00% | 0.00% | \$0 | \$0 | \$0 | \$0 | Knowledge |
| BA-T1089 | Accelerating the transition to electromobility in Barbados | INE/ENE | Technical Cooperation | 2023 | Jan-23-2023 | 450,000.00 | 100% | 100.00% | 0.00% | 0.00% | \$450,000 | \$0 | \$0 | \$450,000 | Energy |
| BA-G1006 | Modification of the Public Sector Modernization Programme (4920/OC-BA) and Supplementary Nonreimbursable Investment Financing "Digital Transformation of The Queen Elizabeth Hospital" | IFD/ICS | Investment Grant | 2023 | 26-Jan-23 | 4,337,833.00 | 0 | 0.00% | 0.00% | 0.00% | \$0 | \$0 | \$0 | \$0 | Health |
| BA-T1092 | Technical Support for Monitoring and Evaluation of the Digital Transformation of the Queen Elizabeth Hospital. | SCL/SPH | Technical Cooperation | 2023 | Jun-5-2023 | 125,000.00 | 0% | 0.00% | 0.00% | 0.00% | \$0 | \$0 | \$0 | \$0 | Health |
| BA-T1095 | An Ambitious Climate Change Agenda for Barbados | CCB/CBA | Technical Cooperation | 2023 | Jun-9-2023 | 200,000.00 | 100% | 0.00% | 0.00% | 100.00% | \$0 | \$0 | \$200,000 | \$200,000 | Climate Governance |
| BA-T1091 | Mainstreaming Sustainability and Private Sector Investment into Barbados Housing Drive | CSD/HUD | Technical Cooperation | 2023 | Jun-26-2023 | 350,000.00 | 100% | 0.00% | 100.00% | 0.00% | \$0 | \$350,000 | \$0 | \$350,000 | Urban Planning |

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|----------|--|-----------|-----------------------|---------------|---------------|-------------------|-------------------|-------------------|-------------------|--------|----------------------|----------------------|-----------|--------------------------|------------------|
| BA-T1094 | Stimulating Private Sector Development in Barbados through Social Innovation | IFD/CTI | Technical Cooperation | 2023 | Jun-27-2023 | 200,000.00 | 0% | 0.00% | 0.00% | 0.00% | \$0 | \$0 | \$0 | \$0 | Social and Labor |
| BA-T1103 | Project Readiness Assessment for the Port of Barbados | VPC/PPP | Technical Cooperation | 2023 | Aug-2-2023 | 100,000.00 | 20% | 0.00% | 0.00% | 20.00% | \$0 | \$0 | \$20,000 | \$20,000 | PPP |
| BA-T1097 | Support for Skills for the Future II | SCL/EDU | Technical Cooperation | 2023 | Aug-16-2023 | 150,000.00 | 25% | 0.00% | 25.00% | 0.00% | \$0 | \$37,500 | \$0 | \$37,500 | Education |
| BA-T1096 | Support to Public Procurement in Barbados | IFD/FMM | Technical Cooperation | 2023 | Aug-17-2023 | 100,000.00 | 50% | 0.00% | 0.00% | 50.00% | \$0 | \$0 | \$50,000 | \$50,000 | Fiscal |
| BA-T1098 | Strengthening the Digitalization of Tax Administration in Barbados | IFD/FMM | Technical Cooperation | 2023 | Aug-17-2023 | 200,000.00 | 0% | 0.00% | 0.00% | 0.00% | \$0 | \$0 | \$0 | \$0 | Fiscal |
| BA-T1099 | Support to the Digital Transformation of the National Insurance System | SCL/LMK | Technical Cooperation | 2023 | Sep-6-2023 | 150,000.00 | 0% | 0.00% | 0.00% | 0.00% | \$0 | \$0 | \$0 | \$0 | Social and Labor |
| BA-T1101 | Support for Strengthening the Transparency of the Public Investment System in Barbados | IFD/ICS | Technical Cooperation | 2023 | Sep-21-2023 | 200,000.00 | 0% | 0.00% | 0.00% | 0.00% | \$0 | \$0 | \$0 | \$0 | Governance |
| BA-L1060 | Program to Strengthen Social Services in Barbados | SCL/LMK | Investment Loan | 2023 | 29-Nov-23 | 100,000,000.00 | 10% | 0.00% | 10.00% | 0.00% | \$0 | \$10,000,000 | \$0 | \$10,000,000 | Social and Labor |

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|----------|--|-----------|-----------------------|---------------|---------------|-------------------|-------------------|-------------------|-------------------|--------|----------------------|----------------------|--------------|--------------------------|---|
| BA-T1104 | Support to social policies in Barbados | SCL/LMK | Technical Cooperation | 2023 | Dec-6-2023 | 135,000.00 | 0% | 0.00% | 0.00% | 0.00% | \$0 | \$0 | \$0 | \$0 | Social and Labor |
| BA-T1105 | Action Plan C&D | CCB/CBA | Technical Cooperation | 2024 | Jan-2-2024 | 290,280.00 | 0% | 0.00% | 0.00% | 0.00% | \$0 | \$0 | \$0 | \$0 | Knowledge |
| BA-L1059 | Climate Resilient and Sustainable Integrated Coastal Zone Management | CSD/RND | Investment Loan | 2024 | 10-Jan-24 | 50,000,000.00 | 100% | 0.00% | 100.00% | 0.00% | \$0 | \$50,000,000 | \$0 | \$50,000,000 | Coastal Zone Management |
| BA-L1061 | Sustainable Development Policy Program III | CSD/HUD | Investment Loan | 2024 | 07-Feb-24 | 100,000,000.00 | 90.37% | 13.46% | 57.68% | 19.23% | \$13,460,000 | \$57,680,000 | \$19,230,000 | \$90,370,000 | Urban Planning |
| BA-T1102 | Strengthening Fiscal Policy for Climate Change Actions in Barbados | IFD/FMM | Technical Cooperation | 2024 | May-9-2024 | 500,000.00 | 100 | 50.00% | 50.00% | 0.00% | \$250,000 | \$250,000 | \$0 | \$500,000 | Fiscal |
| BA-T1112 | Support for the Digital Transformation of the Caribbean Examinations Council | SCL/EDU | Technical Cooperation | 2024 | Jul-1-2024 | 100,000.00 | 0% | 0.00% | 0.00% | 0.00% | \$0 | \$0 | \$0 | \$0 | Education |
| BA-U0002 | Program to Enhance Climate and Financial Resilience in Barbados | IFD/CMF | Guarantee | 2024 | Jul-24-2024 | 150,000,000.00 | 79% | 0.00% | 50.00% | 28.57% | \$0 | \$75,000,000 | \$42,855,000 | \$117,855,000 | Capital Markets and Financial Instruments |
| BA-L1063 | Barbados Climate Resilient South Coast Water Reclamation Project | INE/WSA | Investment Loan | 2024 | 26-Jul-24 | 40,000,000.00 | 81.67% | 37.00% | 7.79% | 36.88% | \$14,800,000 | \$3,116,666 | \$14,750,000 | \$32,666,666 | Water and Sanitation |

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|----------|---|-----------|-----------------------|---------------|---------------|-------------------|-------------------|-------------------|-------------------|--------|----------------------|----------------------|-----------|--------------------------|---|
| BA-T1106 | Regulation Support to Fast Track the Energy Transition in Barbados | INE/ENE | Technical Cooperation | 2024 | Aug-9-2024 | 200,000.00 | 100% | 100.00% | 0.00% | 0.00% | \$200,000 | \$0 | \$0 | \$200,000 | Energy |
| BA-T1107 | Support for the Preparation and Execution of the Barbados Climate Resilient South Coast Water Reclamation Project (SCWRP) | INE/WSA | Technical Cooperation | 2024 | Nov-1-2024 | 150,000.00 | 0% | 0.00% | 100.00% | 0.00% | \$0 | 150,000.00 | \$0 | \$150,000 | Water and Sanitation |
| BA-T1113 | Strengthening Capacity for the Enhanced Credit Guarantee Fund and Small Business Association | IFD/CMF | Technical Cooperation | 2024 | Nov-11-2024 | 250,000.00 | 0% | 0.00% | 0.00% | 0.00% | \$0 | \$0 | \$0 | \$0 | Capital Markets and Financial Instruments |
| BA-T1116 | Enhancing national investment in Research and Development (R&D) for Barbados | IFD/CTI | Technical Cooperation | 2024 | Nov-19-2024 | 150,000.00 | 0% | 0.00% | 0.00% | 0.00% | \$0 | \$0 | \$0 | \$0 | Knowledge |



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