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Acronyms

BPOA	Barbados Programme of Action
BRGM	French Global Survey
CCJ	Caribbean Court of Justice
CFC	Chlorofluorocarbons
CLME	Caribbean Large Marine Ecosystem
CSME	Caribbean Single Market and Economy
DOWASCO	Dominica Water and Sewerage Company
ECCB	East Caribbean Central Bank
ECU	Environmental Coordinating Unit
EEZ	Exclusive Economic Zone
EPA	Economic Partnership Agreement
EU	European Union
FAD	Fish Aggregate Device
FAO	Food and Agricultural Organization
GEF	Global Environment Facility
GMO	Genetically Modified Organism
GOCD	Government of the Commonwealth of Dominica
GPS	Geographic Positioning System
GSPS	Growth and Social Protection Strategy
IFI	International Financial Institution
IMF	International Monetary Fund
IMO	International Maritime Organization

I-PRSP	Interim Poverty Reduction Strategy Paper
IWRM	Integrated Water Resource Management
JPOI	Johannesburg Program of Action
LBS	Land Based Source
LTARP	Land Tenure Administrative Reform Program
M&E	Monitoring and evaluation
NANGO	National Association of Non-government Organization
OECS	Organization of East Caribbean States
SLM	Sustainable Land Management
SGD	St. Georges Declaration
UNCBD	United Nations Convention on Biological Diversity
UNCCD	United Nations Convention to Combat Desertification
UNFCCC	United Nations Framework Convention on Climate Change
UNDP	United Nations Development Program
UNEP	United Nations Environment Program
UNESCO	United Nations Education and Scientific Cultural
Organization	

1.0 Executive Summary

1.1 Context: ‘Madam Speaker, it is our responsibility to respond to what the numbers and the prevailing environment are telling us; I have therefore chosen the theme for this address as: **“Pursuing the Path to Growth: Being Responsive yet Responsible”** and later in this address, I will outline the policy measures that Government will focus on to keep the ship of State well afloat, and to continue to steer the Dominican economy away from danger and towards improved performance’.¹ In his 2011 budget speech Prime Minister Hon. Roosevelt Skerret took a snapshot of the period 2006 to 2010 and then proceeded to look forward to 2012 and beyond. This report, commissioned by UNDESA with support from UNDP sought to capture Dominica’s development over the period 1992 to 2011 as seen through the eyes of Dominicans and regional and international economist and development analysts. The report also sought to elicit from Dominicans their vision and expectations going forward to 2032. Further the report examined the successes and challenges of the BPOA and Agenda 21 over the last eighteen years.

1.2 Process: Basic information for the report was obtained from a review of selected literature on Dominica’s economy, social development and departmental reports and compiled into a first draft. The first draft was then critique by a select sample of Dominicans with varying experience and background. The concerns from these persons were integrated into a second draft which was then reviewed collectively by a larger stakeholder population (37 persons) in a national

¹ Prime Minister Roosevelt Skerret budget speech 2011

consultation forum. An email account was set up at dominicario20@gmail.com and persons invited to view the questionnaire and make inputs. This effort yielded some positive responses that strengthened the final report. In total, a sample of approximately seventy persons contributed to the report.

1.3 Findings: On the basis of the most recently conducted study the levels of poverty has fallen from 39 percent in 2003 to 28.8 percent in 2009². This reduction in poverty is attributed to attempts by Government to stabilize the economy, contain the debt, expand the social and physical infrastructure and prioritize investment. International assessment has been used to expand the physical infrastructure that is contributing to economic development. These infrastructure projects include the airport development, roads and highways expansion and agricultural access roads.

The main causes of poverty according to the 2009 Country Poverty Assessment study were the decline in banana export, the surge in food and energy prices, the global energy crisis and the scourge of natural disasters that struck Dominica. The Government of the Commonwealth of Dominica (GOCD) Growth and Social Protection Strategy (GSPS) articulates a medium-term strategy for growth and poverty reduction over the next five years. Priorities set in the medium-term strategy document make poverty reduction the direct focus of the Government's economic and social policy. GOCD regards the pursuit of sustained strong economic growth to be the main strategy to alleviate poverty.

In addressing the sustainable development challenges Dominica has chosen to go the way of an Organic island. The prime minister has enunciated a 10 year plan of action to establish Dominica as an "organic island" and a healthy tourism destination. This pronouncement set the stage for Dominica to promote sustainable land management. To this end a GEF-UNDP project on Capacity Building for Mainstreaming of Sustainable Land Management is now under implementation.

In the area of energy, work is proceeding on the development of a geothermal plant that will exceed national demands and see the country exporting clean energy to neighboring islands. It is estimated that the geothermal production reaching 120MW will be fully operational by 2020. It is anticipated that Dominica will attract foreign green investment due to its abundance of clean affordable energy. Consideration is also being given to solar power and there is currently a successful demonstration projects lighting street lamps from solar energy.

The main challenges now facing Dominica are:

- Continuing sound fiscal management to consolidate progress towards reducing the government's financing requirements to sustainable levels and reducing public sector indebtedness;
- Continuing reform of the public service that will seek to make the administration a more cost effective "customer driven" service;
- Reducing poverty levels through growth and employment generation, and improving the effectiveness of the social services and social assistance programs;

² Country Poverty Assessment. Volume 1 Main Report

- Improving the law and order apparatus, including the effectiveness of the judicial and land administration systems in swift enforcement of property rights and contracts;
- Improving the execution, focus and effectiveness of the public sector investment in upgrading economic infrastructure;
- Upgrading regulation and oversight of providers of energy, water, transportation (seaport and airport) and telecommunication services, to support more effectively improvements in quality (reliability and timeliness) of services and reduction of costs to the rest of the economy;
- Improving the efficiency of institutions and simplifying procedures that make the enabling environment for private enterprise with a view to shortening the process and reducing the cost of establishing new and expanding existing businesses;
- And Improving the protection and management of the natural environment.

2.0 Workshop Summary:

The workshop convened to validate and expand the findings of the draft report was attended by thirty seven (37) persons representing seventeen (17) private sector organizations and NGOs and twenty (20) persons from government departments.

The facilitator presented data derived from a questionnaire circulated to twenty senior public and private sector agencies. The data on the sheet can be summarized as follows:

- There is no mechanism for systematic coordination among government departments as it pertains to a sustainable development agenda. Consequently, there is some overlap, duplication of effort and a weakened development thrust.
- While millennium goal 1 and 7 might be achieved ahead of the 2015 target, the result was more chance than planned. Much work is yet to be done on the remaining goals if Dominica is to fully achieve its target.
- There was no local Agenda 21 or other such document, development tended to follow available finance and fuel by the immediate local situation – reactive rather than proactive.
- Dominica has ratified several Multilateral Environmental Agreements (MEAs) *inter alia* the UNFCCC, UNCBD, UNCCD, Montreal Protocol, MARPOL Convention, the Biosafety Protocol and the Basel convention.
- At the regional level Dominica is a member of the Caribbean Community (CARICOM) the Organization of East Caribbean States (OECS), the Caribbean Development Bank and the East Caribbean Central Bank (ECCB). Dominica has informally expressed its support for the Caribbean Court of Justice (CCJ) but has not yet formally signed the agreement.
- There is no real conversation on the Green Economy in Dominica. The term ‘Organic Isle’ is well articulated and in reality it has many of the tenets of the green economy concept.
- Dominica is going Green although it is not phrased that way at the national level. Evidence of this is seen in the move towards geothermal and other alternative sources of

clean and renewable energy, the Nature Isle pronouncement and efforts to manage the forest and water resources.

- There are no institutions developed specifically to address sustainable development but the Physical Planning Department, the Environmental Coordinating Unit, the Tourism Department and the Agriculture Department all have long term plans for development along the lines of the a Green economy. There are several completed and ongoing initiatives labeled “sustainable”, for example the Sustainable Land Management (SLM) project and the Sustainable Tourism Plan.

The second part of the workshop examined the draft report prepared as a desk study using available documents. A sector specific examination of the report was done with the view of identifying current and or potential inter-linkages and to highlight the progress made in each sector.

The discussions around the presentation resulted in some fine tuning of the data set collected for this report. The result of this fine tuning is reflected in the body of this document. It was clear that the private sector is not fully attuned to the workings of government but is very conversant with major decisions and initiatives such as the Organic Isle initiative, the geothermal exploration plan, the water sector reform plan and the new Agriculture Policy.

The concept of the green economy was well ventilated and it became clear that there is not a national stated position on this issue. The prevailing view however was that elements of the green economy are common and desirable in Dominica’s development but that a structured approach was needed with a brand unique and appropriate to Dominica. Dominica’s version of the green economy should build on the Organic Isle concept and emphasize the management and use of Dominica’s natural resource including its geothermal energy. The meeting felt that Dominica should move away from the heavy dependence on fossil fuel investing instead in livelihood initiatives. To this end the meeting felt that Government’s policies and programs should seek to ensure that opportunities are available to all, and benefits from growth are shared across the society as widely as possible. The meeting also felt that the concept of benefit sharing elaborated in the United Nations Convention on Biological Diversity to which the country is signatory could further strengthen the national plan for managing Dominica’s national resource as spelt out in the Organic Isle approach.

The NGO involvement in the national decision making process seems weak despite their recognition by government and the existence of an umbrella NGO body the National Association of Non-government Organization (NANGO). Many NGO representatives lack understanding of the functioning of government machinery. This means that the contribution of a large section of Dominica’s citizenry is missing from the development process.

There is representation from the indigenous people, Kalinago, on the government bench and every effort is made at the national level to integrate them into the national development process. In fact some persons are of the view that the Kalinagos are oversubscribed having their own land

reserve, the Carib Territory, and several other social benefits. Despite this, poverty among these indigenous people (49.8% - 1 in 2) is the highest in Dominica.

3.0 The Development Context of Dominica

3.1 Overview: The unique and particular vulnerabilities of Small Island developing States (SIDS) have been acknowledged by the international community since the United Nations Conference on Environment and Development in Rio de Janeiro (1992). The adoption by the international community in 1994 of the Barbados Declaration and the Programme of Action for the Sustainable Development of Small Island Developing States was seen as the first example of a global partnership in which developed and developing countries undertook to work together in support of small island developing States' development strategies, while working to ensure the protection of the fragile environment of those States.

That commitment to a global partnership in support of the sustainable development of small island developing States was strongly reaffirmed during the Twenty-Second Special Session of the General Assembly, which was held in 1999 to review the implementation of the Programme of Action, and was reiterated during the World Summit on Sustainable Development, held in Johannesburg, South Africa in 2002. The Johannesburg Plan of Implementation (JPOI), in its chapter VII called for action at all levels to accelerate the national and regional implementation of the Barbados Programme of Action, *inter alia*, with adequate financial resources, assistance for capacity-building and through the transfer of environmentally sound technologies. The JPOI reiterated the need for continued attention to priority areas identified by small island developing States as crucial to their sustainable development process, including support for the finalization and early operationalization of economic, social and environmental vulnerability indices; support for efforts aimed at poverty eradication; the further implementation of sustainable fisheries management; the development of programs on marine and coastal biodiversity and fresh water; assistance in dealing with climate change and natural disasters; support for the promotion of efficient use of energy, including indigenous and renewable energy sources; and strengthening health-care services.

In 2005, the Mauritius Strategy for the Further Implementation of the Barbados Programme of Action for Sustainable Development of Small Island Developing States was adopted. The Strategy sets forth actions and strategies in 19 priority areas, including the original themes of the Programme of Action.

While sustainable development can redefine how countries create wealth, it is really about creating a better development model; position the economy now for the eventual greener global market. In this regard, Dominica has made strides, though not in a coordinated systematic

manner, to move its development along a green path paying special attention to the BPOA and the Mauritius strategy but within the limits of Dominica's own resource capability. However, this approach presents the following challenges for Dominica:

- Attaining growth in a pro-poor economy; creating jobs that will activate the unemployed in the rural areas, where poverty is most pronounced.
- Investment in agriculture, community tourism, and human resource development (skills training etc), and improving the environment for private sector activity offer best prospects but faces **economic, social, political, and environmental** challenges.

3.2 Economic: Although economic growth in Dominica was curtailed by a convergence of unfavorable development events, particularly with respect to trade, there were underlying weaknesses in the economy such as a reliance on one or two sectors. This lack of diversity exacerbated its vulnerability to economic shocks. Poor fiscal management led to unsustainable debt levels. The last aspect which imperiled prospects for investment and growth, has been tackled successfully by fiscal adjustment and debt restructuring supported by the IMF's Stand-by arrangements, the World Bank's Economic Recovery Support Operation, Caribbean countries and institutions as well as bilateral development partners. Many other weaknesses remain including Dominica's lack of international competitiveness and the lack of internal dynamism in the economy.

3.3 Social: The Government of Dominica is committed to giving greater impetus to the growth process in the period following 2011. The vision is for "A place characterized by a people empowered to contribute to their own well-being and that of our country, through policies of Government geared to facilitating an environment within which private enterprise can flourish to the benefit of our people." Government is fully committed to pursuing the improvement of the investment environment, and it will work diligently to bring down levels of poverty in Dominica.

The preparation of the Growth and Social Protection Strategy (GSPS) for Dominica had a high degree of public ownership and support from the international community, particularly donor agencies, international Financial Institutions (IFI's), and regional organizations. It is hoped that this consultative process will provide the monitoring and evaluation of the progress of implementation of the strategy.

Government is conscious of the human capacity challenge facing Dominica and is prepared to tackle it from the pre-school level. Come 2012 early childhood educatory would be mandatory in Dominica. This will compliment the universal education for children up to sixteen years of age and the government's vision of one university graduate per household.

3.4 Political: Dominica operates under a typical Westminster type political system. There are two dominant political parties in Dominica with no significant difference in philosophy yet significant difference in their following. It is this difference that determines which political party forms government. The present Government has been in office for the past --- years and has therefore had some time to shape the development landscape of Dominica. The Government is committed to the sustainable development agenda as evident by its support for the Organic Island Initiative, the Clean Energy Drive including the Geothermal Development project, and the

investment in Water and Agriculture. All of these initiatives were debated in the national budget debates between 2006 and 2010.

3.5 Environmental: The Ministry of Environment, Natural Resource, Physical Planning and Fisheries is the lead agency for matters of Environment. However, the management of Dominica's natural resource is shared with the Ministry of Agriculture and Forestry and the Ministry of Housing, Settlements, and Water Resource Management.

The **Environmental Coordinating Unit (ECU)** 'functions as the coordinating, facilitating, administrating and collaborating for all environmental and sustainable development management programmes, projects and activities in the commonwealth of Dominica'³. In so doing, it liaises with other government and private sector agencies on issues relating to the environment, advises government on the development of coherent environmental policies and promotes public participation in environmental management through its public awareness activities. Despite this central role in sustainable development, the Unit is funded primarily from projects with international funding. A significant amount of ECU programming is supported by United Nations agencies namely UNDP and UNEP. Funding from the Global Environmental Facility (GEF) comes to Dominica through these implementing agencies. The Unit explains that while the UN agencies help, it is not without challenges.

Over the past decade the Unit has implemented small and medium size projects (between US\$ 100,000 and 500,000) in the area of Biodiversity Conservation and Management, Biosafety Protocols and Policy Development, Climate Change Adaptation and Mitigation, Ozone Layer Protection and Sustainable Land Management. All of these projects were funded by international donor agencies such as the GEF, Montreal Protocol and the World Bank.

3.5 Physical Planning: The Physical Development Division of the Government of the Commonwealth of Dominica has stated that 'the disastrous impact of Climate Change, coupled with emerging challenges in land use and land management necessitates deliberate action to increase the island's resilience and establish a path to sustainable development'⁴. One avenue for achieving this goal is through the National Physical Development Plan. Recognizing the relationship between natural resource use, environmental consequences and future economic viability there is need for all sectors to work together and fully embrace the intricate linkage with all facet of the local economy. At present there is no policy, program or institutional arrangement to give effect to coordination. The Division points to the St. Georges Declaration (SGD) of Principles for Environmental Sustainability in the OECS as a possible framework for achieving this integration. The Government acknowledges its obligation to the OECS Economic Union and notes the incorporation of the SGD into the revised treaty.

Changing trends in land use is posing serious threats to Dominica's natural resource and outdated land use policies are not helping. Consequently, Dominica has presented a proposal to the Caribbean Development Bank for technical assistance grant for the preparation of a National Physical Development Plan and National Land Use Policy for Dominica. The plan would

³ ECU Mission statement.

⁴ Government of Dominica Proposal to the Caribbean Development Bank.

address hazard reduction and climate change adaptation; integrated land use planning and watershed management and as such would be supported by environmental management tools and practices. A 1995 Physical Development Plan for Dominica funded by UNDP was never implemented. This plan is expected to be effective over the period 2012 to 2032 and aims to

- Support hazard mitigation and climate change adaptation.
- Protection of prime agricultural lands.
- Support sustainable use and management of natural resources
- Address sustainable rural and urban development with attention on reducing land use conflicts, alien land holding and urban sprawls and squatting.
- Support the development of an integrated water resource management plan while protecting the marine and coastal zone resources.

Other development challenges facing Dominica which this plan is expected to address include alien land holding issues, road construction, protection of waterways, coasts and beaches and National parks and Forest Reserves.

3.6 Fisheries Currently, Dominica uses mainly traditional, artisanal form of fishing. Although this has its advantage in that it is sustainable and fishermen do not have to travel to far off shore to make a catch, it is considered ineffective in supporting the economic growth of Dominica. Over the last five years the boating stock has improved with the use of fiberglass fishing boats and some fisherman have received training in the use of Fish Aggregating Devices (FAD) that uses geographic positioning systems (GPS) to locate fish stocks. The sharing of this technology has improved south-south cooperation allowing fishermen from Dominica to learn from their colleagues in other islands.

Dominica uses only approximately 15-20% of its Exclusive Economic Zone (EEZ) and hopes to extend this to 50% by 2032. This expansion is being challenged and at the same time pushed by sedimentation and land based sources (LBS) of marine pollution. The sedimentation is partly the result of poor development planning. Quarry operations and construction in river basins and coastal slopes allow tons of topsoil to reach the sea annually. Land based sources of pollution affect coastal pelagic and reef fish. While some marine species may have migrated, others like the sea urchin (white sea egg) are fast disappearing. It should be noted that Dominica is a party to the Cartagena Protocol on LBS.

The fisheries division would like to see the fishing industry contribute more to the economy of Dominica. The plan therefore is to improve fishing technology, expand the portion of the EEZ currently harvested thereby catching more fish for export. In this way the fishing industry will generate revenue, create employment thus contributing to poverty alleviation.

3.7 Agriculture: Dominica is fundamentally an agrarian economy. Agriculture and the ecological system present a frontier for new opportunities, productive increase and investment⁵. This explicit recognition of the importance of agriculture and the environment has led to the formulation of an agricultural-environmental system (Agri-Eco) that is expected to fuel socio-economic growth and development in the next decade. The system has three basic pillars namely,

⁵ National Agriculture Policy 2007-2025

Ecological Sustainability, Competitive Business and Food and Nutrition Security. This redefinition integrates all components of the Agriculture production system from farm to table. It recognises that the dominance of traditional farming for food has declined, paving the way for development of a diverse range of non-food products and services in the Agri-Eco value chain and rural enterprises.

Dominica's economy is dominated by agriculture, traditionally bananas but economic diversification is has become a necessity as trade liberalization of the 1990's crippled the industry.

3.8 Forestry: The National Forest Policy of Dominica was designed to guide the sustainable management of the forest resources of Commonwealth of Dominica, while maintaining or improving the present area of forest cover. The Policy is envisioned to be a living document that operates on an iterative process which continuously reflects changes in the environment and the acquisition of new knowledge, and will be monitored and formally reviewed and updated every 10 years. Strategies for the sustainable development of Dominica's forest is hinge on the vision that all sectors of society must share the responsibility of safekeeping the forests, the nation's most valuable resource. The native Kalinago people have a long history of co-existence with the forest. The idea here is to encourage all Dominicans to respect and emulate this life the style of the Kalinago where goods, products and services of the forests will be managed in a wise manner to promote the development of income generating opportunities, enable private investment opportunities and discourage wide scale intensive destructive commercial activities while preserving and enhancing the ecological, economical and socio-cultural benefits.

3.9 Water: With the growing demand for water, the inadequate institutional structure, ineffective land-use management, limited public understanding of Integrated Water Resource Management (IWRM), a lack of data and information to support decisions, climate variability, legislation that needs updating, and a lack of adequate human and financial resources, it seems almost mandatory that appropriate actions are urgently undertaken. IWRM offers the framework within which all these problems and inefficiencies may be overcome. To this end, the Government of Dominica has developed an IWRM Policy that seeks to ensure long term sustainability of the country's water resources for the benefit of all; develop and manage the country's water resources wisely and efficiently to ensure the availability of a continuous supply of water to meet all needs and uses including that of the ecosystems; and implement measures to protect and enhance the water systems so that the water quality is adequate for all designated uses.

Currently ninety percent (90%) of Dominica is served with potable water provided by Dominica Water and Sewerage Company (DOWASCO). The company's plan is to have the entire island (100%) being served by 2015. Although Dominica is well known for its abundance of water, often referred to as 'the land of many rivers', DOWASCO is not taking this for granted, the company is mindful of the reality that the resource is finite, vulnerable, inextricably linked to the environment and impacted by development, human activities and climate variability.

3.10 Housing and Settlement:

Dominica's housing stock is a mixture of modern concrete and brick structure (51.2%), wooden structures (24.8%), plywood structures 5.6% and makeshift material 0.9%. There are still remnants of the "long house", structures built after the destruction by hurricane David in 1979. Residents of Tarish Pit and Silver Lake are complaining of the deplorable state of housing in their communities.

While the average poverty level in Dominica is 28%, there is a considerable disparity among the parishes. The parishes of St. Joseph (47.2), St. Paul (32.6), St. Patrick (42.7%), St. David (40.4%) and St. Andrew (38%) all have poverty rates above the national average. Most of the communities on the East of the island (formally farming communities) experienced significant population reduction following the structural adjustment on the Banana industry. Residents relocated to communities like Roseau (capital city) and St. George while others emigrated.

3.11 Renewable Energy: Although Dominica is currently exploring new technologies in the field of renewable energy, by far the most known and talked about is the geothermal energy project. Currently 70% of Dominica's energy needs come from diesel (fossil fuel) plants with the remainder produced by hydro power. There are a few solar street lamps but the energy production from this source has not been quantified.

The cost of electricity in Dominica is one of the highest in the Eastern Caribbean. Conscious of the impact of this high energy cost on consumers, and the impact on development, government is seeking to provide improved access to more affordable electricity via the introduction of low cost renewable energy. The emphasis here is on geothermal energy. Studies have indicated high possibility of generating electricity through the exploitation of geothermal resources in Dominica arising from its volcanic origin. In 2008 scientific and technical investigations were carried out with joint funding from the European Union (EU), the Regional Councils of Guadeloupe and Martinique (French overseas departments), the French Geological Survey (BRGM), the French Agency for Environment and Management of Energy, and the Government of the Commonwealth of Dominica. These studies indicate that there is a resource of approximately 15km² with temperatures reaching as high as 300 °C making highly favorable conditions for generation of electricity.

On the 15th April 2011, the Ministry of Public Works, Energy and Ports launch a tender for the construction of a Drill Pad in the Roseau Valley. Site preparation works commenced on May 1st 2011.

4.0 Key Issues and Barriers to Sustainable Development

4.1 Geography and Demographics: Dominica is the largest island in the OECS (754² km) but has the smallest population density in the English speaking Caribbean (9.4 perkm²). Compare this with Barbados that has a population density of approximately 669 per km². It is not surprising therefore that one of Dominica's development challenge is its population size. While the small population size can prove positive for resource management, it is a serious constraint in a developmental context since the small population size translates into limited human resource and capacity constraint.

Dominicans however feel that their greatest constraint to sustainable development is access to financing. This they feel has limited their ability to participate in trade, technology transfer and entrepreneurship and these are key components of any developing country. Even more challenging is the fact that this is a relatively young nation in every sense. Over forty two percent (42.8%) of its population is under 25 years of age with limited education and no experience.

4.2 Institutional: In responding to the outcomes of Rio 1992, the Government of Dominica established a Sustainable Development Council. This institution became defunct and the duties were taken over by the Environmental Coordinating Unit (ECU). The ECU now functions as the principal agency for issues relating to sustainable development and was the driving force behind the Organic Island initiative. Other sectors such as Water, Energy, and Agriculture have expressed their commitment to the Organic Island development plan but look to the ECU for leadership.

Forestry and Conservation division have promoted strong sustainable development principles in the management of protected areas and wildlife and the management and promotion of ecotourism sites and trails.

Sustainable Development themes permeate the workings of other institutions and are reflected in efforts such as

- Tourism Sector Nature island concept
- The Ministry of Education schools' curriculum
- Fisheries Division local area management for marine resources
- National Parks use of fees and environmental levy to finance selected SD initiatives.

4.3 Policy and Legislative: Dominica has ratified several MEA designed to address sustainable development yet the only national policy or legislative type tools that exist are some draft policies, action plans and one Acts. Among these are the Biodiversity Strategy and Action Plan, Climate Change Adaptation Policy, Montreal Protocol Act 2006, and the Draft Biosafety Nation Policy. No MEA has been incorporated into National Law or in any way adapted for national use. Social issues have much more legitimacy and are more often embedded in national policies. Examples are the convention on the 'Rights of the Child' and the non-disclosure of HIV/AIDS status by medical authorities.

5.0 Gaps and Constraints in the Implementation of SD

5.1 Gaps: The main gap in the implementation of sustainable development in Dominica is the absence of a coordinating mechanism. A significant amount of work has been done and is ongoing addressing sustainable development and the ECU is making good strides in the area of coordination, however, the ECU's efforts are severely restricted by absence of direct funding from the government and a clear policy statement making ECU the sustainable development authority in Dominica.

Although Dominica has in principle accepted the Millennium Development Goals (MDG) as worthwhile targets and makes overtures in their direction, there is no national entity charged with the implementation of the MDGs and there is no tracking of the process. Any achievement of the MDGs is therefore fortuitous.

5.2 Constraint: A major constraint in the implementation of sustainable development in Dominica is the absence of a collective agreement on the priorities that determine how resources are allocated. This is compounded by a weak infrastructural base that makes it difficult for the country to attract foreign investment and retain its trained human resource.

The population size of Dominica coupled with a struggling economy is a major challenge for the private sector a vital organ of development. Businesses are therefore small and undercapitalized. A concern in this area is the support for entrepreneurship and small business development. Information Technology development is limited and growing slowly with the international telecommunication giants controlling the market.

The land tenure arrangements have been cited as a major constraint to the development of the private sector. The ongoing Land Tenure Administration Reform Programme (LTARP), as delivered the

improved Unified Land Information System which now allows for the computerization of the entire process for private land transactions.

The LTARP, at a cost of approximately \$2.7 million, will improve the clarity, transparency and efficiency of operation of the land market; and facilitate ownership and tenancy of land, transfer of property rights and increased private sector investment.

A White Paper seeking comments on the proposal to address land tenancy arrangements in Dominica has been circulated. Drafting instructions which could allow for relevant amendments/changes to the Agricultural Small Tenancies Act, the Title by Registration Act (1886) and the Land Survey Act (1988) have been completed.

6.0 Options for the Green Economy in the Context of Poverty Reduction

6.1 Green Economy: When Dominicans  the meaning of Green Economy one phrase pops out “Organic Island”. This response came from both the questionnaire and oral conversations with a wide cross section of the population. A composite responses look something like this ‘Green Economy for Dominica means promotion of organic agriculture, promotion of geothermal, solar and hydropower for sustainable energy, promotion of Nature Island for tourism and health, promotion of a low carbon climate resilient development path’. From this response it is clear that Dominicans understand the concept of the Green Economy but that their preference for an implementation form lies in the Organic Island initiative.

The Organic Island initiative is a 10-year program of action to establish the country as an “Organic Island” and health tourism destination. The objectives of this strategic development are *inter alia* to:

- Shift the declining agriculture base of the island’s economy to an “organic agriculture” that will provide a sustainable basis for economic and social development;
- Increase employment opportunities and reverse the loss of trained and qualified specialists from the country;
- Address pressing environmental and natural resource management issues through the establishment of agricultural practices that promote sustainable land management;
- Address critical environmental management and human health issues through reduction and elimination of the use of pesticides and chemical fertilizers, thereby supporting Dominica’s commitments under the Persistent Organic Pollutants (Stockholm) Convention and the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal.
- Implement key elements of *Dominica’s Biodiversity Strategy and Action Plan* by establishing an agricultural export market based on products that are free from genetically modified organisms (GMOs) thereby giving support to Dominica’s commitments under the *Cartagena Protocol*.

Support for this initiative came from the United Nations Environmental Programme (UNEP) with strong endorsement by the Government of Dominica as reflected in the Prime Minister Budget address (2008). Further evidence of national support is found in the National Agricultural Policy Framework (2007-2025) that is built on 3 mutually-dependent Policy Pillars, namely, Ecological Sustainability, Competitive Business and Food and Nutrition Security.

6.2 The Green Economy and Poverty Reduction: The Country Poverty Assessment undertaken by the Caribbean Development Bank (CDB) in collaboration with the Department for International Development (DFID) of the United Kingdom, the Canadian International Development Agency (CIDA), the United Nations Development Programme (UNDP), the World Bank (WB) and the Inter American Development Bank (IDB) attribute the main causes of poverty to external factors including lost of the banana market in Europe, high food and energy prices, global economic crisis and natural disaster. The Organic Island Initiative is designed to address all of these elements with poverty reduction being the ultimate goal. The Agricultural Policy Framework provides good support to the Organic Island initiative but in all cases there is the consciousness that the greatest success of these efforts must be at the national level to allow entrepreneurs and local investors to establish standards, build competence and develop volume to overcome the inherent trade barriers and restrictions of the CSM  PA and WTO. In the interim, Dominicans must work through other existing windows like Fair Trade and WINDFRESH to enter the global marketplace.

The plan to reduce Dominica's dependence on fossil fuel and replace it with geothermal energy will mean reducing Dominica's foreign exchange bill thus making more of the national budget available to address social issues, poverty reducing and education reform. Additionally, the sale of geothermal energy will mean a constant injection of foreign capital into Dominica. Cheaper and more reliable clean energy will attract new businesses to Dominica thus creating a boost in the economy. Overall, the evolving green economy in Dominica is likely to jumpstart the economy, reduce poverty and lead to more sustainable development.

7.0 Institutional Framework for Sustainable Development

7.1 Existing National Framework: While there is not a Sustainable Development Ministry in Dominica, sustainable development initiatives are common placed. For example, the Environmental Coordinating Unit (ECU) of the Ministry of Environment, Physical Planning, Natural Resource and Fisheries is undertaking a GEF-UNDP project on sustainable Land Management. The Physical Planning Unit is developing a National Physical Development Plan that speaks to sustainability of Mining Industries (Quarries), residential expansion and settlement, Agro and Eco Tourism, road construction and soil management, rivers and watersheds buffers, coasts and Beach protection, National Parks and Marine Reserves, Biodiversity management and the preservation of green space to avoid urban sprawls. At the same time the Forestry Division is pursuing forest management that speaks to sustainable use of resources to support livelihoods while the Fisheries Division is policing marine parks and regulating fishing gears -mesh size etc.

7.2 Organic Isle: Taking another look at institutional framework for sustainable development the Organic Isle development concept comes into focus. In his 2007/2008 budget address the Prime Minister had this to say:

“At the broader level, Madam Speaker, we need more consciously to integrate green principles into our national economic management and planning, and marry environmental preservation and management into our strategy for achieving higher levels of sustained economic growth.

In this Budget Address, Government is sending a signal to the population and a message to the world, that we will be seeking consciously to ensure that our Nature Island takes the lead in enshrining green principles as the guide to our national planning, and to inform initiatives in all sectors.

Madam Speaker, as the Nature Island, it behoves us to pay attention to larger environmental issues such as biodiversity, land degradation, climate change and the emission of green house gases that cause global warming. Small island states like those in the Caribbean are among the most vulnerable to the impacts of global environmental phenomena like climate change”.

Government believes that priority must be given to pursuing policies and programmes that are consistent with well-researched proposals and programmes developed by the international community, and are consistent with the countries' needs and capacities. In that context, Dominica proposes to embark on a 10-year program of action to establish the country as "An Organic Island" and health tourism destination.

7.3 Economic Sustainability: In the area of economics, the biennial GSPS process provides the vehicle that informs the medium-term macro-economic framework, the structural reform agenda, the medium-term public investment programme, and the annual budgets to be presented to Parliament. To this end, targeting and management of the existing social programmes needs to be improved. The GOCD approved an Interim Poverty Reduction Strategy Paper (I-PRSP) in 2010. The GSPS provides the framework for Dominica's economic and social policies over the next five years and sets out the macroeconomic framework; the growth strategy including the enabling environment for private enterprise and sectoral strategies; and poverty reduction and social protection programmes. It also provides for the monitoring and evaluation of the progress in implementing the strategy on an annual basis. The consultative process to which the GSPS has been subjected ensures that the stake holders are involved in the M&E process. The GSPS attempts to remedy this situation by spelling out GOCD strategy focused on three pillars: 1) Fiscal policy and administrative reform, including creating an enabling environment for private enterprise activity; 2) Sectoral strategies for growth; 3) Strategies for poverty reduction and social protection.

7.4 Coordinating Sustainable Development Efforts: It is clear from the foregoing that sustainable development is on the minds of Dominicans but the missing element is a coordinating agency or mechanism. While this may detract from the sustainable development concept in theory, the reality is that there is a good deal of political pronouncement (soft policy) for the idea and civil society groups have taken hold of specific concepts and making good progress in implementation.

Because financing is a key component in advancing any cause, it may be prudent for the Ministry of Finance (Prime Minister's Office) to take the lead in coordinating the various elements of sustainable development in Dominica thus providing the missing element in what could be a model framework for sustainable development.

7.5 Regional and International Frameworks for SD: Dominica is signatory to several Multilateral Environmental Agreements (MEAs) each of which has its own regulations and list of demands to which parties are expected to abide. In general, all of these MEAs are geared towards sustainable development and management of some element of the world's natural resources. It is the expectation that countries will translate some of these regulations into local policies. In this regard Dominica has developed the Montreal Protocol Act of 2006 accordingly has phased out chlorofluorocarbons (CFCs). The country is mainstream Climate Change and Land Management into its national development policy and has a draft Climate Change Adaptation Policy to provide the legal backing. At the sub-regional level, the St. George's Declaration of Principles for Sustainable Development in the OECS commits the country to annual reporting on its effort towards sustainable management of its resources particularly the shared resources.

The Association of Caribbean States (ACS) takes the lead in issues relation to the Caribbean sea, this is important given the growing interest in ocean governance. There are ongoing discussions aimed at demarcating Exclusive Economic Zones (EEZ) for the countries. In the meantime there is the Caribbean Larger Marine Ecosystem (CLME) and the Caribbean Challenge Project of which Dominica is a stakeholder. Dominica also has demarcated portions of its national water as a marine protected area and promotes whale watching as a green economic activity. In many of the aforementioned activities, UN agencies - UNDP, UNEP, FAO, WHO, UNESCO, IMO- provide technical and financial support for enabling activities that help in the development of policies, institutional frameworks and human capacity needed to address key SD and green economy issues. However, they have limited financial resources to support effective implementation.

8.0 New and Emerging Challenges:

Although Dominica's financial situation is not new, the challenges associated with it are really just emerging. Government's inability to effectively reduce poverty levels and jumpstart the economy is no incentive for developers or local investors. The number of young persons leaving school every year and seeking employment is more than the labour force can absorb. Consequently, unemployment particularly among youths is increasing.

Dominicans see the unemployment situation being exacerbated by the global economic crisis and their limited capacity and ability to fight back. Being unable to enter the global market place yet being subjected to the fallout from that market place creates a sense of hopelessness among Dominicans that is further limiting the development effort. To address this situation Dominicans feel that there is a need for new development financing, a new political agenda and approach, greater public awareness and involvement in the development agenda. Some feel that there is need for more formal training and continuous education to build the national institutional capacity.

Climate change impacts on natural resources and infrastructure is sending Dominica deeper into poverty. The erosion and sedimentation in the Layou River Valley and the damage to the road network especially those on the coast are cited as examples. The 2010 drought was a chilling experience for Dominica many of whom saw the Nature Island wilt for the first time in their lives.

The only institution and mechanisms in place nationally to address these challenges is the ECU and its projects supported and financed by international development partners. This is definitely not sustainable. Dominica will definitely need to bolster the ECU through budgetary financing and legislative empowerment. There are a number of positive elements already in place but coordination and predictable financing are needed to create a truly sustainable development entity.

There needs to be a global agreement on limiting greenhouse gas emissions as soon as possible. The UN negotiation process seems flawed, financing mechanisms full of promises while countries like Dominica are paying for the inaction.

On the social agenda, crime and violence is a growing concern for Dominica. Much of this crime has an economic flavour; teenage and adolescent girls fall victims of sexual exploitation while many young men are caught up in the drug trade. The Prime Minister in his 2011/2012 budget address noted that 'the provision of adequate security to the population is always a major challenge'.

9.0 Recommendations: Given the current state of development in Dominica, the high levels of poverty and unemployment, the high energy price and the challenges Dominica faces entering the global market place, it is imperative that some strong urgent action be taken to prepare Dominica for the future. Dominica must be prepared to face the challenges resulting from global

climate change and the economic meltdown. It is in this context that the following recommendations are provided.

9.1 Achieving a collective agreement on the priorities for Dominica seem uppermost in the minds of the public sector. Allocation of scarce resources must be premised on agreed priorities and development processes.

9.2 Achieving low carbon climate resilient development while creating employment and addressing poverty is definitely the path for Dominica. In this regard, the government should actively pursue compensation for its forest (though small, it is regionally significant) either through REDD or through the international carbon trade.

9.3 Dominica should aggressively pursue the development of its geothermal potential to reduce its dependence on fossil fuel, advance its green development and generate needed finance through regional energy sales.

9.4 Information Technology (IT) must be given higher priority as a tool for development. Global markets, financial institutions and people are linked via IT. Since Dominica need all of these to create the push need to move the country forward, it is imperative that Government and the Private sector work together to create the platform needed by all for the development of all.

9.5 There is need to reform the education system to teach the young people how to make a decent and honest living. **Entrepreneurships, networking, marketing strategies** and national consciousness need to be embedded in a new education approach.

9.6 New and reliable financing mechanism to support the implementation of Dominica's vision for green economy, namely, low carbon climate resilient development pathway that promotes employment and reduces poverty. This can be tied to the carbon market as Dominica is a net sink for GHG and further that it is pursuing the development of clean energy (geothermal).

9.7 That Dominica's vision of the Green Economy should be seen as a comprehensive approach to sustainable development and embodies all natural resource available to Dominica. In this regard, the concept of the *Blue Economy* should not be a separate agenda item but should be part and parcel of the Green Economy. Ocean governance and the protection and use of marine resources are central to Dominica's development and therefore not treated as new items.

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