

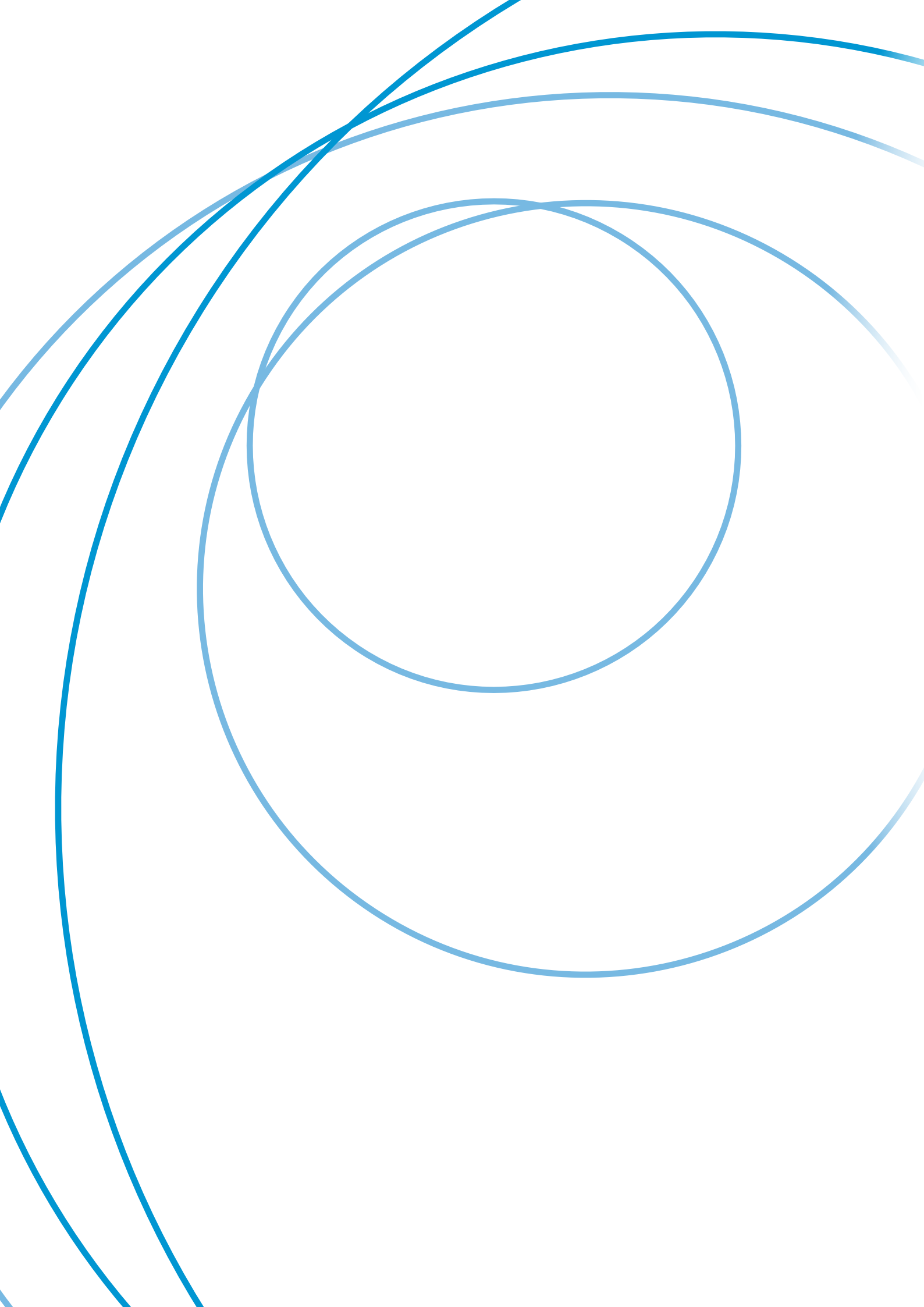


# — ATLANTIC OCEAN

Regional strategy  
2019-2023



#WorldInCommon



# Preface

At the **Interministerial Committee for International Cooperation and Development (CICID)** on **February 8, 2018**, the French government made a commitment to strengthen the integration of overseas territories into their regional ocean basins by supporting cooperation projects with neighboring states. **This committee also required the Agence Française de Développement (AFD) to define a strategy for each ocean basin and reorganize its network.**

In 2018, AFD group conducted a fundamental reform of its strategic documents by approving the new **AFD Group 2018-2022 Strategy** outlining the priorities of the CICID and categorizing the Sustainable Development Goals (SDGs) into six major transitions and five commitments. As part of this, the Three Oceans Department, which brings together overseas territories and neighboring foreign states in the Indian, Pacific, and Atlantic Oceans, adopted its new **2019-2022 Three Oceans Strategy**. The three regional strategies for the Indian, Atlantic, and Pacific basins are part of this updated framework.

The Atlantic Ocean Regional Office in Fort-de-France has been operational since September 2018. The Group's regional strategy defines **common challenges facing all territories** in the basin. It **includes national strategies in Martinique, Guadeloupe, French Guiana, Suriname, Haiti, the Dominican Republic, and Saint-Pierre and Miquelon**, which embody local implementation of the regional strategic framework. This makes it possible to accurately integrate the local challenges facing each territory. Through its network of agencies, the Regional Office designs cooperation projects with the goal of **sharing resources, limiting the spread of negative externalities** from one territory to the next, and **sharing expertise on subjects of common interest**.



# TABLE OF CONTENTS

<b>1 - CONTEXT, CHALLENGES, AND OVERVIEW OF ATLANTIC REGIONAL OFFICE.....</b>	<b>6</b>
1.1 Context.....	7
1.2 Challenges .....	8
1.3 Atlantic Regional Office and the Group's network.....	9
<b>2 - A REGIONAL STRATEGY FOCUSING ON FOUR KEY PRIORITIES .....</b>	<b>10</b>
2.1 Support the goals of a territorial, environmental, and energy transition .....	11
2.2 Promote a demographic and social transition to ensure decent living conditions for local populations .....	12
2.3 Support an economic and financial transition to create sustainable economies .....	13
2.4 Promote the contribution of French players from overseas territories to increasing French influence in the Atlantic basin .....	14
<b>3 - EXPAND PARTNERSHIP INITIATIVES .....</b>	<b>15</b>
3.1 Enhance coordination with French players .....	16
3.2 Help strengthen regional structures.....	16
3.3 Mobilize donors and private sector players .....	17
3.4 Expand knowledge of the region and regional initiatives .....	17
<b>4 - INTERVENTION MODALITIES .....</b>	<b>18</b>
4.1 Resources and tools .....	19
4.2 Accountability framework and monitoring-evaluation mechanism .....	20
<b>5 - APPENDICES.....</b>	<b>21</b>
Appendix 1 – Logical framework for the Atlantic strategy .....	22
Appendix 2 – General characteristics of populations and economies.....	23
Appendix 3 – List of regional organizations .....	24
Appendix 4 – Electricity generation mix.....	25
Appendix 5 – Main observations concerning climate change, trends, and future effects.....	26
Appendix 6 – Overview of Group activities in 2015-2018.....	28
<b>LIST OF ABBREVIATIONS.....</b>	<b>29</b>



# 1.

**CONTEXT, CHALLENGES,  
AND OVERVIEW OF  
THE ATLANTIC  
REGIONAL OFFICE**

# 1.1. CONTEXT

Spanning both Northern and Southern hemispheres, the Atlantic region covered by the Group is a **diverse geographic area with sixteen territories<sup>1</sup> broken up into four subregions: the Greater Antilles** (Haiti, Jamaica, the Dominican Republic); the **Lesser Antilles** (Antigua and Barbuda, Dominica, Grenada, Guadeloupe, Martinique, Saint Barthélemy, Saint Lucia, Saint Martin, Saint Vincent and the Grenadines); the **Guiana Shield** (Guyana, French Guiana, and Suriname); and **Saint-Pierre and Miquelon** near Canada. These countries and territories are home to 27.6 million people, including approximately 1.1 million French citizens.

**These regions are culturally diverse**, with four common languages and over one hundred vernacular languages. They are also **politically** (monarchies, republics, overseas departments and communities), **institutionally and commercially diverse** (CARICOM, European Union). **Moreover, this area is characterized by economic disparities.<sup>2</sup>** The Dominican Republic, the regional economic heavyweight, had a total GDP of 77 billion U.S. dollars for a population of 10 million. In contrast, the sum of the GDP of all the other territories in the region is 60 billion U.S. dollars. Haiti, for instance, had a real GDP of 8 billion USD with a population of about 11 million, which makes it the poorest country in the Americas. **Given these disparities, it makes sense to maintain country-specific strategies, taking into account the unique issues and challenges of each territory.**

**French territories in the Americas had an aggregate GDP of 25 billion U.S. dollars in 2017.** Thanks to Haiti and French residents, there is a community of **11 million French speakers** in the region. **France has an Exclusive Economic Zone (EEZ) of 600,000 km<sup>2</sup>**, and regional integration is an important goal for the country, as it relates to France's economic and cultural influence. Guadeloupe, Martinique, and Saint Martin are associate members of the Association of Caribbean States (ACS). Martinique and Guadeloupe are also associate members of the Organization of Eastern Caribbean States (OECS), where French is the most widely spoken language. Martinique, Guadeloupe, and French Guiana are candidate countries to the Caribbean Community (CARICOM),<sup>3</sup> an organization of mainly English-speaking Caribbean states.

From Saint-Pierre and Miquelon to French Guiana, with a quality of life higher than in neighboring countries and with the status of European Outermost Regions (ORs) or of Overseas Countries and Territories (OCTs), **French territories in the Americas can help design regional solutions** to joint economic, environmental, and social challenges. **For this reason, Haiti**, listed as a Priority Low-income Country in French development policy for international solidarity by the CICID, **will play a leading role in the Group's regional activities.**

<sup>1</sup> Only territories within the Three-Ocean Department (OCN) for which AFD has a mandate to act or to conduct prospection work are named. Brazil, Colombia, Mexico and Cuba are included in the mandate of the Latin American Department (AML) of AFD. AFD's mandate in the region can change by decision of the co-secretariat of the CICID.

<sup>2</sup> See appendix 2 – General characteristics of populations and economies.

<sup>3</sup> See appendix 3 – List of regional organizations.

## 1.2 CHALLENGES

Territories in the region, although geographically diverse, share common challenges, which means that **development should be viewed through a regional lens to facilitate dialogue between the territories** and help improve living conditions for local populations.

In terms of climate and environment, this region with Small Island Developing States (SIDS) **will be the first to experience of the consequences of climate disruption** (rising sea levels, changing coastlines, groundwater salinization, changing average temperatures, extreme climate events).<sup>4</sup> The region is exposed to **the entire spectrum of natural risks, both land-based (earthquakes, volcanic eruptions) and weather-related risks (hurricanes, floods, droughts)**. As evidenced by hurricanes Irma and Maria in 2017, the region is prone to major hurricanes, and their intensity may increase with rising average temperatures.<sup>5</sup> According to CEPAL, Caribbean States experienced 165 natural disasters between 1990 and 2008, causing economic damage of 136 billion dollars<sup>6</sup> (excluding French overseas territories).

**The Atlantic region boasts exceptional land and ocean biodiversity.** As a “global biodiversity hotspot”,<sup>7</sup> the Caribbean is home to 10,000 km<sup>2</sup> of reefs and 22,000 km<sup>2</sup> of mangroves, with 3.5% of species of vertebrates<sup>8</sup> and 8-35% of marine species being endemic to the region.<sup>9</sup> According to the International branch of the French National Forestry Office, 40% of the 8,000 species of plants in the Amazon are endemic to the Guiana Shield. Today, climate change, the erosion of coastal areas, the destruction of mangroves, and pressure linked to human activity are some of the major challenges facing the region.

At the social and human level, some territories have undergone strong population growth due to their natural and/or migratory balance, whereas others have seen a population decline. Against a backdrop of unequal social structures and **lacking public services (education, health), these demographic changes can destabilize neighboring countries.** Consequently, working to **create educational opportunities**

**suited to the employment needs in the region** and the inclusion of youth are an important common goal which can help **build capacity in the region's territories.** Reliance on three **international languages** (English, Spanish, and French) is an important advantage for training programs, which can be further capitalized on through exchanges of persons.

Another important goal is bolstering health services. In order to limit **the spread of diseases via vectors such as humans** (dengue, chikungunya, Zika, malaria), **animals** (heartwater, avian flu), and **plants** (Black Sigatoka), it is necessary to **strengthen epidemiological surveillance at the regional level.** The lack or improper functioning of available treatment can be addressed by enhancing **the complementarity of healthcare on a regional scale.** Finally, **decreasing inequality** and the inclusion of the most vulnerable groups are key regional solutions to increasing regional stability and cohesion.

These territories suffer from **common economic vulnerabilities due to their insular nature**<sup>10</sup> (energy dependence, problems building economies of scale, a dearth of infrastructure, isolation from major commercial routes), the severity of which depends on the level of development.<sup>11</sup> Alignment with separate free trade zones and **poor maritime, air, and digital connectivity** are some of the reasons behind **weak intraregional trade flows**, which account for less than 10% of global trade, as the area is strongly polarized between the U.S. and European Union, the largest suppliers and importers of these territories. Together with fossil energy imports, **the region is still highly dependent on international trade.** Finally, weak institutions in Haiti and other SIDS in the region discourage foreign investment and dampen the development of promising **regional industries** such as **the blue economy**<sup>12</sup> (fishing, port operations, the cruise industry, recreational boating), **the green economy** (agro-ecology, ecotourism, water and sanitation, urban development), and **the circular economy** (waste management).

<sup>4</sup> See appendix 5 – Main observations concerning climate change, trends, and future effects.

<sup>5</sup> Christopher Patrick Burgess, Estimating damages from climate-related natural disasters for the Caribbean at 1.5 °C and 2 °C global warming above preindustrial levels, 2018: although average damages caused by natural disasters in the Caribbean in the period from 1964-2013 are estimated at 824 million dollars annually, the cost is expected to increase and reach 1.395 billion per year if temperatures rise by 1.5°C.

<sup>6</sup> CEPAL, Analysis of extreme events in the Caribbean (1990-2008), Analysis Limited LC/CAR/L.254, 5 March 2010, p.5.

<sup>7</sup> F.E. Zachos & J.C. Habel (2011), Biodiversity Hotspots: Distribution and Protection of Conservation Priorities: “hot spots,” located mainly in tropical regions, refer to areas with over 1,500 species of endemic vascular plants (excluding mosses, algae and lichens) which have lost at least 70% of their habitat. Endemic biodiversity is estimated to make up 0.5% of global biodiversity.

<sup>8</sup> For comparative purposes: mainland France is home to only 8 species of endemic vertebrates, of 0.03% of global species, and 79 endemic plants, or 0.03% of global species.

<sup>9</sup> Critical Ecosystem Partnership Fund (CEPF), Caribbean Island Biodiversity Hotspot, 2010.

<sup>10</sup> Including in French Guiana, Suriname, and Guyana, where the Amazon cuts them off from developments on the Latin American continent.

<sup>11</sup> The Dominican Republic does not face problems related to economies of scale today.

<sup>12</sup> Caribbean Development Bank, Financing the blue economy: A Caribbean development opportunity, 2018: the fishing and aquaculture sector directly affect 64,000 jobs, and 180,000 jobs if one counts indirect employment, in the 19 borrowing members of the CDB.



**The region also faces various security risks. The Guiana Shield and Caribbean,** major transit areas in the drug trade, **are hotspots for cocaine trafficking** to the U.S. and Europe, where trafficking has increased by 15% since 2015.<sup>13</sup> In addition to drug traffic, they face the problem of **arms trafficking, which brings about 2 million weapons** to this area, mainly Jamaica, the Dominican Republic, and Haiti. Numerous gangs have grown in the Greater Antilles and

recently expanded to the Lesser Antilles, a major stop in the drug trade. **Illegal immigration** mainly originates in Haiti and continues on to the United States but also the Dominican Republic, the Guiana Shield, and, to a lesser extent, the Lesser Antilles. Another less significant regional challenge, mainly in French Guiana and the Dominican Republic, is **illegal fishing**. Finally, on the Guiana Shield, the trafficking of raw materials is limited to illegal small-scale gold mining.

## 1.3 ATLANTIC REGIONAL OFFICE AND THE GROUP'S NETWORK

As the regional development platform of AFD Group (Proparco, Expertise France), the **Atlantic Regional Office, based in Fort-de-France, covers a network comprised of five agencies (Haiti, Guadeloupe, French Guiana, Martinique, Dominican Republic) and two representative offices (Saint-Pierre and Miquelon and Suriname)**. It is supported by the Proparco regional offices in the Dominican Republic and Mexico in engaging with the private sector in foreign countries.

AFD **operates in Haiti exclusively by providing grant financing**. In other countries, it prefers the use of loans if the local financial situation allows for this. In overseas territories, the Agency is the number one public bank for local and regional governments, and it supports investments by means of budget or project aid. The Group also funds the private sector in overseas territories while respecting the principles of subsidiarity and complementarity with the local banking sector. The Agency can also provide grants to fund support and advisory missions, assistance to project sponsors, capacity building, technical assistance, and research programs. In foreign countries, Proparco supports the private sector by mobilizing all available tools (loans, equity, guarantees, etc.).

The Regional Office outlines **the challenges and issues shared by all territories in the basin** and, thanks to its network of agencies, designs **cooperation activities with the aim of pooling resources** (mutual assistance after natural disasters, complementarity of port and airport infrastructure), **limiting the spillover of negative externalities from one territory to the next** (maritime litter, disease), and **sharing expertise on topics of common interest** (renewable energy, the erosion of coastal areas).

Aside from their local goals, which vary among the different territories, country-specific strategies contribute to implementing the regional strategy. Thanks to this new organization, the Group will participate in the dissemination of **France's expertise** in the region and **in all its activities**.

<sup>13</sup> Antilles-French Guiana Regional Cooperation Conference, Roundtable on security cooperation, presentation by the defense attaché of the French Embassy in Venezuela, October 2018.

The background of the page features several large, overlapping, curved blue lines that sweep across the frame from the top left towards the bottom right, creating a sense of motion and depth.

# 2.

## **A REGIONAL STRATEGY FOCUSING ON FOUR KEY PRIORITIES**

The AFD Group 2018-2022 Strategy summarizes the conclusions of the CICID of 8 February 2018 and outlines five commitments and six transitions that are based on the 2030 Agenda, the Sustainable Development Goals (SDGs), and the Paris Agreement. The **Three Oceans Strategy (2019-2022)** lays out the priorities for three oceanic basins. The Regional Atlantic Strategy of AFD Group is part of this frame of reference and is complemented by the **diplomatic strategy of the Ministry for Europe and Foreign Affairs for the Caribbean**, its sectoral strategies, the **Overseas Blue Book (2018)**, and the **Trajectory 5.0<sup>14</sup> (2019)** of the Ministry of Overseas France. This is aligned with the Partnership Framework Documents (PFDs) signed by France and the states of the region if such exist, in coordination with diplomatic action plans.

In accordance with this updated framework, **AFD Group, together with its subsidiaries Proparco and Expertise France, set three general objectives<sup>15</sup>** and one cross-cutting objective for actions in the Atlantic region:

- support **territorial, environmental, and energy transitions**
- facilitate **a demographic and social transition** to ensure decent living standards for local populations
- support **an economic and financial transition** to create sustainable economies
- ensure **smooth relations between French players from overseas territories and their foreign counterparts to increase the impact of France and Europe's development actions in the region.**

These objectives will be part of the **100% social link commitment** of the AFD Group 2018-2022 Strategy, which strives to ensure that each action helps strengthen social cohesion, decrease socio-economic inequality, and bridge the gender gap. They will also be aligned with the **100% commitment to the Paris Agreement**, according to which all AFD-funded projects must contribute to a resilient, low-carbon development path. The Group will particularly seek to maximize the climate-related co-benefits of AFD-funded operations, for both adaptation and mitigation.

## 2.1. SUPPORT THE GOALS OF A TERRITORIAL, ENVIRONMENTAL, AND ENERGY TRANSITION

The Group will help make territories more resilient to climate change and decrease their carbon emissions.<sup>16</sup> It will **promote better climate governance (Specific objective - SO 1.1)** by supporting the revision and operational application of nationally determined contributions. To achieve this, it will use the Adapt'action Facility, as well as its advisory-support line for French overseas territories, and its grant or loan financing tools to support core projects for climate change adaptation and mitigation.

Another important priority is **mitigating the impact of natural disasters via a global response focused on awareness, prevention, preparedness, and response (SO 1.2)**. The Agency will continue to innovate in the area of funding to develop recovery tools, such as contingency plans, adapted to times of crisis.

**The Group will invest in the development of electricity generation mixes that will be less carbon-intensive, all the while promoting energy efficiency (SO 1.3).**<sup>17</sup> It will

<sup>14</sup> The goal of Trajectory 5.0 is to turn overseas territories into zero-carbon, zero-waste, zero-chemical fertilizer, zero-vulnerability, and zero-exclusion areas.

<sup>15</sup> See appendix 1 – Logical framework for the AFD Group's Atlantic strategy.

<sup>16</sup> AFD, Three Oceans strategy, priority 1: "Ensure the Three Oceans are '100% Paris Agreement' compliant territories."

<sup>17</sup> See appendix 4 – Electricity generation mix.

fund the development of industries producing renewable energy, support research on energy-efficient transportation and buildings, contribute to public political discourse promoting clean energy, and increase knowledge sharing between French and foreign stakeholders.

The Group will significantly strengthen its actions to **utilize and sustainably manage natural resources while preserving ecosystems and biodiversity (SO 1.4)**, in line with the revised Aichi targets for 2020. It will increase its support to preserving coastal zones in the Caribbean, as

well as creating protected land and marine areas, which it will seek to build into a network. The Agency will continue to lend support to forest management in the Guiana Shield and the Dominican Republic by relying on the experience of overseas territories. It will study the paths and means to **strengthen management of the Amazon forest with Brazil on the Guiana Shield** to combat deforestation, in alignment with the G7 initiatives.

## 2.2. PROMOTE A DEMOGRAPHIC AND SOCIAL TRANSITION TO ENSURE DECENT LIVING CONDITIONS FOR LOCAL POPULATIONS

The second general objective aims to improve living conditions for local populations and increase social cohesion in the region while accounting for demographic changes.

To this end, the Group **will fund the development of effective training programs to facilitate professional integration and ensure the complementarity of such programs among territories (SO 2.1)**. The Agency will support the development of basic and continuing vocational training programs as well as professional integration measures, especially in the blue and green economies.

AFD will continue its efforts to **reduce inequality in healthcare between territories and prevent transmissible human and animal diseases (SO 2.2)**. The Agency will help develop complementary health services between

the islands and increase the attractiveness of services in the overseas territories. On the Guiana Shield, it will continue to support cross-border cooperation between hospitals in French Guiana and Suriname. It will also seek to strengthen regional epidemiological surveillance measures to limit the spread of human and animal diseases.

The Agency will seek to **strengthen social and intergenerational ties through decent employment, access to quality basic services, and the promotion of cultural and sport activities (SO 2.3)**. An important goal of the current presidential administration, **reducing inequality between women and men** by funding projects with gender as the primary or secondary objective **will be at the heart of the Group's efforts** in the region.

## 2.3. SUPPORT AN ECONOMIC AND FINANCIAL TRANSITION TO CREATE SUSTAINABLE ECONOMIES

The third general objective aims to create the necessary conditions for sustainable economic growth in the blue, green, and circular economies, that is inclusive and shared, while contributing to the region's financial stability and increasing trade.

The Group **will help build the blue, green, and circular economies (SO 3.1)**. In these ocean regions where territories have access to water, the Group will support the development of sectors of the blue economy, i.e. all economic activity related to the oceans.<sup>18</sup>

**The Group will also support sectors of the green economy,<sup>19</sup>** which depend on the sustainable use of natural resources, and include agro-ecology, eco-tourism, and sustainable urban development. The Agency will also strive to improve drinking water and sanitation services, which are key areas of focus in the Dominican Republic and overseas regional and local governments.

The Group **will help build sectors of the circular economy**, which aims to produce goods and services while decreasing the use of raw materials and non-renewable energy sources. It will seek to **improve the collection, management, and treatment of waste while ensuring complementarity between islands**. It will **contribute to current considerations of the issue of Sargassum** and will examine the operational outlook for this common challenge facing territories in the region, working together with the French Government and Region of Guadeloupe.

The Group will help build **inclusive, long-term, responsible financial systems to support stable economic growth (SO 3.2)**. To achieve this, the Group will seek to strengthen the role of regional banks, to direct funding to sustainable development using green credit lines, and to consolidate the monitoring of environmental and social risks in the banking system.

Finally, the Group **will support air, sea, land, and digital connectivity (SO 3.3)** between the region's territories to increase trade. Actions will focus on the necessary energy transition of these sectors, safety and security goals, and the need to develop platforms that are integrated into their environment to maximize ripple effects on the economy and local employment. The Agency's biggest focus in the Dominican Republic is urban transport (metro, cable car lines), which will continue to receive high levels of support. In Saint-Pierre and Miquelon, AFD will lend its support to implementing the development strategy for port infrastructure developed by the territory in partnership with the Ministry of Overseas France.

<sup>18</sup> These activities include the development and management of ports, marine energy, coastal tourism, the cruise industry and recreational boating, and processing industries.

<sup>19</sup> Defined as sustainable economic activities that do not apply any pressure to natural resources.

## 2.4. PROMOTE THE CONTRIBUTION OF FRENCH PLAYERS FROM OVERSEAS TERRITORIES TO INCREASING FRENCH INFLUENCE IN THE ATLANTIC BASIN

In line with the government's commitment to increasing the integration of overseas territories into the regional context, the Group will seek to **build new partnerships with French public stakeholders and regional organizations**, namely the ACS, the OECS, CARICOM, and the Caribbean Development Bank (CDB). In this regard, it will be supported by the **Antilles and French Guiana Regional Cooperation Conference**, the only platform for institutional dialogue between the French territories in the Americas, neighboring states, and regional organizations in the region.

The Group will contribute to identifying and **promoting economic talent from French overseas territories** in the area, working together with chambers of commerce and industry. It will seek to draw on qualified French expertise in all projects it funds and will be able to **benefit from Expertise France** in the sectors of agroecology, urban transport, biodiversity, and energy. It will contribute to promoting sustainable solutions spearheaded by French businesses by relying on Business France, with which the Agency has signed a framework agreement. In its South-South approach to cooperation, it will promote the exchange of experience within the Atlantic region, which will also be of use to stakeholders from French overseas territories.



# 3.

## EXPAND PARTNERSHIP INITIATIVES

## 3.1. ENHANCE COORDINATION WITH FRENCH PLAYERS

In close collaboration with **diplomatic missions, prefectures, and the French Ambassador Delegate to cooperation in the Antilles-Guiana area**, the Agency will contribute to French strategy in the Atlantic by implementing development and international solidarity policies. It will create a network and work to inform public and private stakeholders, as well as neighboring regional offices (Central America, South America) of regional projects in which AFD Group is involved.

**AFD Group will prioritize partnerships in its activities.** As part of partnership agreements which may already exist at the centralized level, the Agency will examine the modes of more integrated cooperation with public French institutions (Regional health organizations, BRGM, CIRAD, IRD) at the regional level. It will continue to **fund the investments of the local governments of French overseas territories and to support them in their decentralized cooperation** with neighboring counterparts. It will continue to engage in close dialogue with the French **Caisse des dépôts Group** as part of the Alliance.

## 3.2. HELP STRENGTHEN REGIONAL STRUCTURES

In line with the French strategy for the Caribbean, the Agency will deepen its partnership with **regional organizations**. It will support the **OECS**, which is made up of 7 independent member-states and Martinique and Guadeloupe as associate members,<sup>20</sup> and increase the number of projects under its leadership while maintaining absorptive capacity. The Agency will continue to **support CARICOM via regional implementation agencies**, for example CARPHA, in the area of health. Finally, **the Association of Caribbean States (ACS)**, which brings together the countries of the Caribbean basin (25 members), may be a partner for future multilateral initiatives.

**The Caribbean Development Bank (CDB)**, comprising 19 beneficiary member countries in the region, is a key partner of AFD. The Agency will strengthen its support to the CDB in the form of technical assistance, lines of credit, and, when necessary, grants, to increase financing for activities in countries of the region, especially the most vulnerable states with limited access to capital markets.

<sup>20</sup> See appendix 3 – List of regional organizations.



## 3.3. MOBILIZE DONORS AND PRIVATE SECTOR PLAYERS

AFD will continue its dialogue with the **European Union** in order to implement the regional package of the European Development Fund (EDF) dedicated to the Caribbean in order to formulate its actions and identify regional impacts on sectors. It will position itself as a partner of the **ERDF-INTERREG structural fund management authority** for the Caribbean (Region of Guadeloupe), the Amazon (French Guiana territorial community), and the territories of Saint Martin and Sint-Maarten, by identifying which sectors can be targeted by common actions.

The Agency will continue its dialogue with **the World Bank and the Inter-American Development Bank (IDB)** by prioritizing joint operations with a leverage effect. It will strengthen its partnerships with **the United Nations**

**Development Programme (UNDP)** and **the Pan American Health Organization (PAHO)**. It will strengthen dialogue with **the International Organization of La Francophonie** and seek out operational partnerships with active bilateral donors in the area from **USAID, KfW, DFID and the High Commission of Canada**.

The Group will support the development of private sector activities by contributing to rendering local groups more international and disseminating innovations among overseas territories and foreign states. The two regional offices of Proparco in the Dominican Republic and in Mexico will help increase economic exchanges and trade within the area as well as with countries on the American continent.

## 3.4. EXPAND KNOWLEDGE OF THE REGION AND REGIONAL INITIATIVES

Activities related to knowledge production are strategic priorities for AFD in the region. These activities help **expand knowledge of major development challenges, as well as current territorial and economic trends** in the basin, which can be used in decision-making. They will help **drive development projects aligned** with the Group's strategy. To this end, the Group will rely on a network of universities, active think tanks, and research organizations such as the French Agricultural Research Center for International Development and the French National Institute for Sustainable Development, and will **organize seminars, research programs, and publications**. For instance, these

activities could involve cooperation in health, natural hazards, awareness-raising on climate change issues, preserving biodiversity, or the vulnerabilities and resilience of small island economies.

Moreover, the Group, through its activities and network of partners, will be able to **identify innovative initiatives that could potentially be reproduced in different ocean basins** in order to benefit territories grappling with similar issues.



**4.**

**INTERVENTION  
MODALITIES**

## 4.1 RESOURCES AND TOOLS

The Group will mobilize all tools at its disposal. **As a priority low-income country, Haiti will receive the most resources in the form of grants** allocated to the Atlantic region. In other regions, **loans will be the priority** whenever the financial situation of the counterpart will allow it. In overseas territories, the Agency will continue to support the investments of regional and local governments in the form of budgetary aid for projects, for example via subsidized loans. The Agency will be able to provide grants to fund consulting services, assistance to project sponsors, capacity building, technical assistance, and research programs. In foreign states, Proparco will be able to use the entirety of its support tools for the private sector (loans, equity, guarantees, etc.). In order to develop multi-country regional projects, the Agency will focus on grants and attempt to create a leverage effect with the French Fund for Global Environment, European funds (INTERREG, FED-ACP, FED-PTOM), and the Green Climate Fund.

The Agency will continue to use **the French Local Authorities Financing Facility to support decentralized cooperation projects** between a French regional government or local authority and its foreign counterpart. It will utilize **the Fund for Technical Expertise and Experience Transfers to engage in public policy dialogue** with neighboring states requesting French expertise. AFD, in cooperation with the Economic Services of French embassies, will contribute **to promoting trade** between territories in the area by mobilizing the support fund of the **Trade Capacity Building Program**.

AFD will open its **Civil Society Organizations Initiative** to NGOs, non-profits, trade unions, foundations, and stakeholders from the French social and solidarity economy. All projects in foreign countries consistent with the regional strategy **will be eligible**. In overseas territories, only projects whose primary goal is education for development or capacity building/strengthening for CSOs or associative platforms will be eligible.

## 4.2 ACCOUNTABILITY FRAMEWORK AND MONITORING-EVALUATION MECHANISM

The **logical framework** of the Atlantic strategy is laid out in **Appendix 1**. The strategy **has three general objectives and one cross-cutting objective**, which are tied together with **specific goals which can be measured and assessed** and are to be attained through the Group's activities.

**A series of cross-cutting indicators for all of the Group's activities in the region** will be used to achieve the objectives. These cross-cutting indicators will be part of the accountability framework for the Three Oceans strategy (2019-2022) and reflect **the added value of the Group's regional activities** (number of cross-border projects, use of French expertise, number of partnership projects and studies), the most appropriate indicators underlying the **commitments of the AFD Group 2018-2022 Strategy** in the region, and **important sectoral markers in the region** that use political accountability indicators (CICID, COM). The Group will focus on the following markers for the Atlantic region:

- Surface area, in hectares, benefitting from conservation, restoration, or sustainable management programs for type 1 biodiversity (creation, expansion, improvement, sustainable funding for protected areas)

- Number of people with improved access to healthcare
- New installed capacity for renewable energy linked to projects
- Number of people with improved access to sustainable urban transportation

The regional strategy does not contain target indicators due to the large number of new activities, which makes it impossible to obtain a comprehensive baseline at this moment. Target indicators will be defined for the next strategy (2024-2028) using the available baseline.

The Regional Office will issue an annual activity report to provide information on the implementation of the regional strategy based on cross-cutting indicators. **An external ex-post evaluation of the strategy will be conducted at the end of the period covered.**



# 5.

## APPENDICES

# APPENDIX 1: Logical framework for the Atlantic strategy

EXPECTED IMPACT	GENERAL OBJECTIVES	SPECIFIC OBJECTIVES
<b>GOAL</b> <b>CONTRIBUTE TO SUSTAINABLE AND INCLUSIVE REGIONAL DEVELOPMENT IN TERRITORIES IN THE ATLANTIC REGION.</b>	<b>GENERAL OBJECTIVE 1</b> <b>ADDRESS CHALLENGES OF TERRITORIAL, ENVIRONMENTAL, AND ENERGY TRANSITIONS.</b>	<b>SO 1.1</b> – Increase the resilience of territories and populations by promoting improved climate governance.
		<b>SO 1.2</b> – Mitigate the impact of natural disasters on territories and populations via a holistic response focusing on knowledge, prevention, and risk preparedness.
		<b>SO 1.3</b> – Contribute to the development of lower-carbon electricity generation mixes and promote energy efficiency.
		<b>SO 1.4</b> – Utilize and sustainably manage natural resources while preserving ecosystems and biodiversity.
	<b>GENERAL OBJECTIVE 2</b> <b>PROMOTE A DEMOGRAPHIC AND SOCIAL TRANSITION TO ENSURE DECENT LIVING CONDITIONS FOR LOCAL POPULATIONS.</b>	<b>SO 2.1</b> – Develop effective training programs to facilitate professional integration.
		<b>SO 2.2</b> – Reduce health inequality and limit the prevalence and spread of transmissible human and animal diseases.
		<b>SO 2.3</b> – Expand and improve access to public services by decreasing socio-economic and gender inequality.
	<b>GENERAL OBJECTIVE 3</b> <b>SUPPORT AN ECONOMIC AND FINANCIAL TRANSITION TO CREATE SUSTAINABLE ECONOMIES.</b>	<b>SO 3.1</b> – Support the development of the blue, green, and circular economies.
		<b>SO 3.2</b> – Help build inclusive, long-term, and responsible financial systems.
		<b>SO 3.3</b> – Support land, air, maritime, and digital connectivity.
	<b>CROSS-CUTTING OBJECTIVE</b> <b>PROMOTE THE CONTRIBUTION OF FRENCH TERRITORIES TO INCREASING FRANCE'S/EUROPE'S VISIBILITY IN THE ATLANTIC BASIN.</b>	<b>CCO. 1</b> – Develop an approach based on partnerships with public players in overseas territories and regional organizations of the Association of Caribbean States (ASC), the Organization of Eastern Caribbean States (OECS), CARICOM, and the Caribbean Development Bank (CDB).
		<b>CCO. 2</b> – Contribute to identifying and promoting French economic talent and ensure awareness of the opportunities related to projects supported by AFD Group.
		<b>CCO. 3</b> – Mobilize private and public French expertise for development projects.

# APPENDIX 2: General characteristics of populations and economies

TERRITORIES (2017 baseline indicators)	REAL GDP (Constant US dollars)	POPULATION TOTAL	SURFACE AREA (in km²)	REAL GDP PER CAPITA (constant US dollars)	HUMAN DEVELOPMENT INDEX (HDI)
ANTIGUA AND BARBUDA	1.38	102,012	440	13,548	0.78
DOMINICAN REPUBLIC	77.01	10,766,998	48,670	7,153	0.72
DOMINICA	0.45	73,925	750	6,184	0.71
FRENCH GUIANA	4.7	296,711	83,534	17,289	0.73
GRENADA	0.8	107,825	340	9,077	0.77
GUADELOUPE	9.7	382,704	1,628	22,374	0.82
GUYANA	3.01	777,859	214,970	3,871	0.63
HAITI	8	10,981,229	27,750	728	0.49
JAMAICA	13.95	2,890,299	10,990	4,826	0.73
MARTINIQUE	9.95	364,354	1,128	25,312	0.81
SAINT BARTHÉLEMY	0.5	9,625	25	45,193	n/a
SAINT LUCIA	1.54	178,844	620	8,635	0.74
SAINT MARTIN	0.7	32,125	53	16,611	0.70
SAINT-PIERRE AND MIQUELON	0.2	6,080	242	44,949	0.78
SAINT VINCENT AND THE GRENADINES	0.73	109,897	390	6,723	0.72
SURINAME	4.54	563,402	163,821	8,067	0.72

<b>TOTAL</b>	<b>137.16</b>	<b>27,643,889</b>	<b>555,351</b>
--------------	---------------	-------------------	----------------


Sources: the main indicators were taken from the World Bank database (<https://databank.banquemondiale.org>). Data on overseas French territories were taken from the 2018 annual IEDOM report, and the HDI was taken from a United Nations database (<https://www.populationdata.net>); information on public debt originated in the CIA World Fact Book (<https://www.cia.gov/library/publications/the-world-factbook/fields/227.html>) and the debt sustainability framework was taken from IMF/World Bank data (<https://www.imf.org/external/np/pdr/mona/Country.aspx>).

# APPENDIX 3: List of regional organizations

TERRITORY	ACS	OECS	CARICOM	CARIFORUM	SICA
ANGUILLA		Member	Associate member	Observer	
ANTIGUA AND BARBUDA	Member	Member	Member	Member	
ARUBA	Associate member			Observer	
BAHAMAS	Member		Member	Member	
BARBADOS	Member		Member	Members	
BELIZE	Member		Member	Member	Member
BERMUDA			Associate member		
BRITISH VIRGIN ISLANDS	Associate member	Member	Associate member	Observer	
CAYMAN ISLANDS			Associate member	Observer	
COLOMBIA	Member				
COSTA RICA	Member				Member
CUBA	Member			Member	
CURAÇAO	Associate member			Member	
DOMINICA	Member	Member	Member	Member	
DOMINICAN REPUBLIC	Member			Member	Member
EL SALVADOR	Member				Member
FRENCH GUIANA	Associate member (as France)			Observer	
GRENADA	Member	Member	Member	Member	
GUADELOUPE	Associate member			Observer	
GUATEMALA	Member				Member
GUYANA	Member		Member	Member	
HAITI	Member		Member	Member	Member (in the process of joining)
HONDURAS	Member				Member
JAMAICA	Member		Member	Member	
MARTINIQUE	Associate member	Associate member		Observer	
MEXICO	Member				
MONTSERRAT		Member	Member	Observer	
NETHERLANDS ANTILLES				Observer	
NICARAGUA	Member				Member
PANAMA	Member				Member
SAINT BARTHÉLEMY	Associate member (as France)				
SAINT LUCIA	Member	Member	Member	Member	
SAINT MARTIN	Associate member				
SAINT KITTS AND NEVIS	Member	Member	Member	Member	
SAINT-PIERRE AND MIQUELON					
SAINT VINCENT AND THE GRENADINES	Member	Member	Member	Member	
SINT-MAARTEN	Associate member				
SURINAME	Member		Member	Member	
TRINIDAD AND TOBAGO	Member		Member	Member	
TURKS AND CAICOS ISLANDS	Associate member (inactive)		Associate member	Observer	
VENEZUELA					

Sources: CEA, OECS, CARICOM.

Haiti: Territories within the scope of the Atlantic Regional Office's work

 Countries where the secretariat is represented



# APPENDIX 4: Electricity generation mix

GOVERNMENT OR LOCAL AUTHORITY	CARBON	OIL	NATURAL GAS	BIOFUEL	HYDROPOWER	SOLAR	WIND	OTHER RENEWABLES
DOMINICA		77%			23%			
DOMINICAN REPUBLIC	13%	52%	20%	0.2%	10%	2%	4%	
FRENCH GUIANA		38%			54%	6%		1%
GUADELOUPE	28%	52%			2%	5%	3%	10%
GUYANA		100%						
GRENADA		100%						
HAITI	0%	93%	0%	0%	7%	0%	0%	
MARTINIQUE		93%				5%	0.1%	2%
SAINT BARTHÉLEMY		100%						
SAINT LUCIA		99%						1%
SAINT MARTIN		100%						
SAINT-PIERRE AND MIQUELON		100%						
SURINAME	0%	43%	0%	0%	57%	0%	0%	

Sources: Guadeloupe Regional Council, EDF, IEA, CIA, OREC (2016).

# APPENDIX 5: Main observations concerning climate change, trends, and future effects

*Extract from the Technopolis study of the Atlantic region commissioned by AFD - "Impacts of climate change" data sheet, 2019.*

The Caribbean Sea is believed to be one of the areas that are the most vulnerable to climate change, as related impacts are relatively well-known and well-documented. Rising temperatures, an exacerbation of extreme weather events, and rising sea levels are expected to have a significant impact on the region.

## Rising temperatures

The Fourth Assessment Report of the IPCC predicts a 1.4° to 3.2°C rise in temperatures in the small island states of the Caribbean by 2099. Summer rainfall in the Greater Antilles (Haiti and the Dominican Republic) is expected to fall, and the frequency of heat waves and droughts will increase (with a significant impact on sectors such as agriculture).

## The frequency of extreme weather events

Although the causal link between climate change and natural disasters is still up for debate and difficult to prove scientifically, an increasing number of studies point to a potential link between a rise in temperatures and the increased frequency of tropical hurricanes in the region. In its Fourth Report, the IPCC states that "climate change will affect the frequency, intensity, duration, and physical extent of extreme weather events." However, the territories of the Caribbean face a combination of weather phenomena which may be impacted by climate change: tropical cyclones (tropical storms and hurricanes), thunderstorms and lightning strikes, coastal storm surges, floods and high water, coastal flooding, and droughts. Climate change might also exacerbate the impact of the most common disasters: hurricanes, floods, dry spells, or storms. Scientific reports emphasize the serious negative impact that a significant increase in the number of category 4 or 5 hurricanes or rising sea levels can have on biodiversity and infrastructure.

**Table 1 : Overview of natural disasters in the region since 2007**

EVENT	DATE	COUNTRY/REGION AFFECTED
Earthquake	November 2007	Dominica, Saint Lucia
Earthquake	January 2010	Haiti
Hurricane Tomas	October 2010	Saint Lucia
Tropical Storm Erika	August 2015	Dominica
Hurricane Matthew	October 2016	Haiti
Hurricane Irma	September 2017	Guadeloupe, Saint Barthélemy, Saint Martin, Martinique, the Dominican Republic, Haiti
Hurricane Jose	September 2017	Saint Martin, Saint Barthélemy
Hurricane Maria	September 2017	Dominica, Saint Lucia, Guadeloupe

Source: Caribbean Catastrophe Risk Insurance Facility <sup>21</sup>

<sup>21</sup> <https://www.ccrif.org/content/about-us>.

## Rising sea levels

According to Météo-France, it is estimated that sea levels rose 1.7 mm per year on average between 1901 and 2011 and 3.2 mm per year between 1993 and 2014.<sup>22</sup> Thus, we have already seen an increase in sea levels of over 20 cm over the past century.

According to Pascal Saffache, Lecturer and Director of the Department of Geography and Development at the University of the Antilles and Guyana, the regional sea level will continue to increase by 2.5 to 3 mm per year and rise by almost ten centimeters by 2050. In a region as vulnerable as the Caribbean, this scale of sea level rise could lead to water moving inland by as much as 800 meters in some areas.<sup>23</sup>

Populations in coastal areas with a low elevation (<10 m) are particularly vulnerable to rising sea levels.<sup>24</sup> The Antilles and Guiana Shield are no exception. French Guiana, Suriname, and Guyana are areas with the highest risk of being submerged. Even if the percentage of submerged land remains low, population density is generally higher in coastal areas, and this may lead to a large displacement of the current inhabitants: a one-meter rise in sea levels would affect 7% of the population of Suriname (6% in Guyana and 5% in French Guiana). Moreover, coastal areas, especially those in developing countries, are continuing to experience population growth and urbanization.

This phenomenon, which is associated with an increase in extreme weather events, will increase the risk of flooding and storm surges.

## Resilience and vulnerability index

The Environmental Vulnerability Index (EVI hereinafter) was one of the first tools designed to assess the socio-economic vulnerability of a country to natural disasters. This measurement, which was devised by the United Nations Environment Program (UNEP), the South Pacific Applied Geoscience Commission (SOPAC), and their partners, is a compilation of 50 indicators (including information on weather, climate, geology, geography, resources, etc.). It is one of the most widely used tools for analyzing the vulnerability of countries in the region.<sup>25</sup> The ranking works as follows:

- If it is lower than 214, the country is considered resilient
- If it is between 215 and 264, the country is considered at risk
- If it is higher than 265, it is considered vulnerable
- If it is higher than 315, it is considered highly vulnerable
- If it is higher than 365, it is considered extremely vulnerable

Thus, the third column of the table below contains the result for each country and specifies that most countries in the region, including those of the Atlantic region (the Dominican Republic, Haiti, Grenada, and Saint Lucia), are either vulnerable or highly vulnerable.

**Table 2 : Environmental Vulnerability Index in the Caribbean**

COUNTRY	EVI	DATA%	STATUS
ANGUILLA	312	52	Vulnerable
ANTIGUA AND BARBUDA	307	56	Vulnerable
BAHAMAS	248	62	At Risk
BARBADOS	403	70	Extremely vulnerable
BELIZE	258	90	At Risk
CAYMAN ISLANDS	343	60	Highly vulnerable
DOMINICA	n.d.	N/A	
DOMINICAN REPUBLIC	324	90	Highly vulnerable
GRENADA	316	62	Highly vulnerable
GUYANA	207	90	Resilient
HAITI	343	92	Highly vulnerable
JAMAICA	381	94	Extremely vulnerable
NETHERLANDS ANTILLES	323	60	Highly vulnerable
SAINT LUCIA	393	59	Extremely vulnerable
ST. KITTS AND NEVIS	359	54	Highly vulnerable
ST. VINCENT AND THE GRENADINES	337	54	Highly vulnerable
SURINAME	211	88	Resilient
TRINIDAD AND TOBAGO	381	94	Highly vulnerable
TURKS AND CAICOS	292	52	Vulnerable

Source: (EVI Country Profiles n.d.), [http://vulnerabilityindex.net/EVI\\_Country\\_Profiles.htm](http://vulnerabilityindex.net/EVI_Country_Profiles.htm)

<sup>22</sup> <http://www.meteofrance.fr/climat-passe-et-futur/impacts-du-changement-climatique-sur-les-phenomenes-hydrometeorologiques/changement-climatique-et-hausse-du-niveau-de-la-mer>

<sup>23</sup> Pascal Saffache, 2014, "The vulnerability of the Caribbean islands to rising sea levels" in Cruse & Rhiney (Eds.), Caribbean Atlas, <http://www.caribbean-atlas.com/fr/thematiques/geographie-physique-et-ressources-naturelles/vulnerabilite-des-iles-antillaises-face-a-la-montee-du-niveau-de-la-mer.html>

<sup>24</sup> <https://www.iied.org/climate-change-study-maps-those-greatest-risk-cyclones-rising-seas>

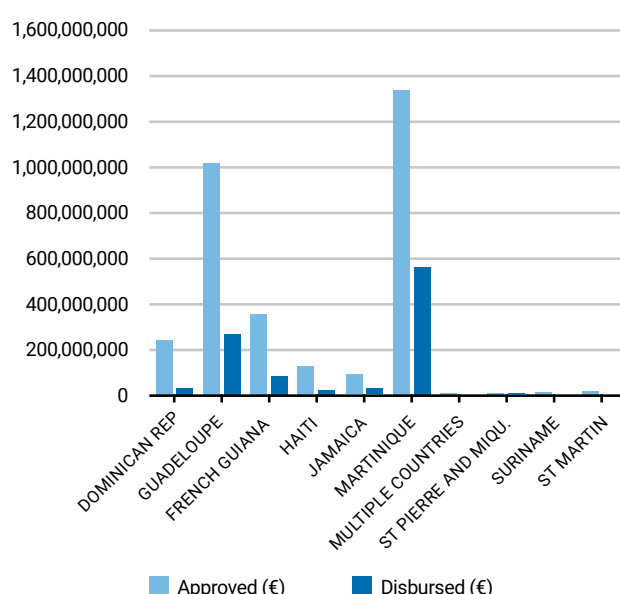
<sup>25</sup> ECLAC, Study on the vulnerability and resilience of Caribbean Small Island Developing States (SIDS), 2011.

# APPENDIX 6: Overview of Group activities in 2015-2018

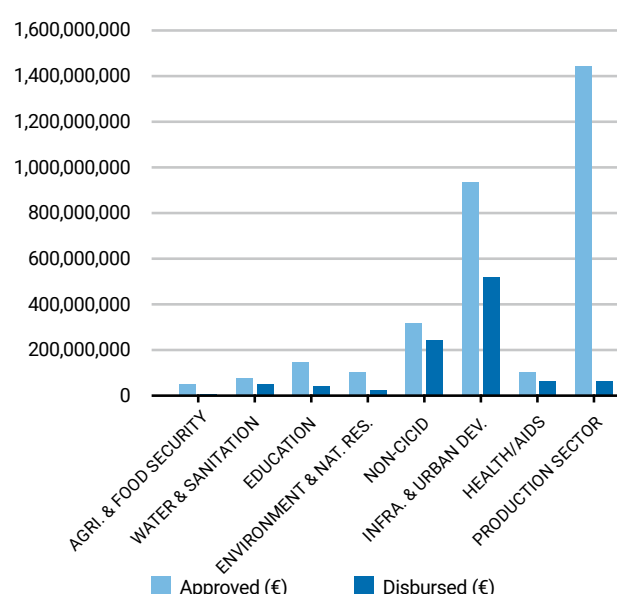
## Overview of the Group's activities over the period 2015-2018

<b>Total approved in 2015-2018</b>	€3.187 M
<b>Total approved with climate co-benefits</b>	€286 M
<b>Total approved with gender co-benefits</b>	€165 M
<b>Total state cost mobilized</b>	€22 M

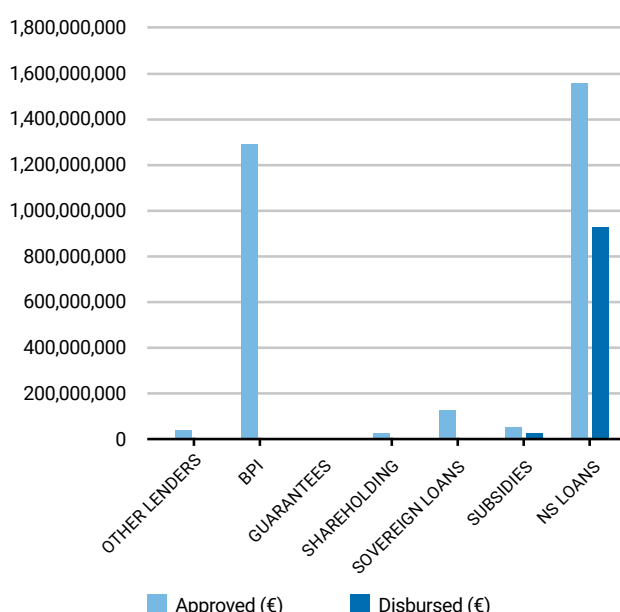
### Group approvals and disbursements by country and territory, 2015-2018



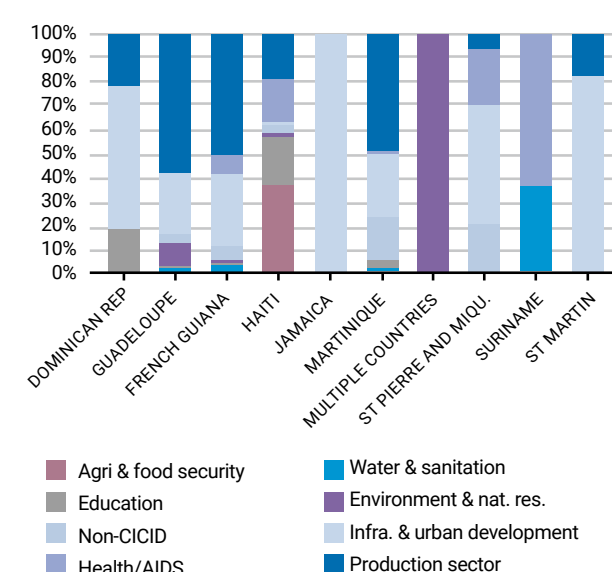
### Group approvals and disbursements by sector, 2015-2018



### Group approvals and disbursements by instrument, 2015-2018



### Sector breakdown of approvals in each country and territory



# LIST OF ABBREVIATIONS

**ACP:** Africa, Caribbean, Pacific

**ACS:** Association of Caribbean States

**AFD:** Agence Française de Développement

**CACEM:** Urban community of central Martinique

**CARICOM:** Caribbean Community

**CARPHA:** Caribbean Public Health Agency

**CCO:** Cross-cutting objective

**CDB:** Caribbean Development Bank

**CDC:** Caisse des Dépôts et Consignations (French state-controlled financial institution)

**CICID:** Interministerial Committee for International Cooperation and Development

**CSO:** Civil society organizations

**DCP:** Partnership framework document

**DROA:** Atlantic Regional Office

**EDF:** European Development Fund

**EEZ:** Exclusive economic zone

**FEXTE:** Fund for Technical Expertise and Experience Transfers

**FICOL:** French Local Authorities Financing Facility

**GDP:** Gross domestic product

**GO:** General objective

**IDB:** Inter-American Development Bank

**MEAE:** Ministry for Europe and Foreign Affairs

**MOM:** Ministry of Overseas France

**OCT:** Overseas Countries and Territories

**ODA:** Official Development Assistance

**OECS:** Organization of Eastern Caribbean States

**OIF:** International Organization of la Francophonie

**PAHO:** Pan-American Health Organization

**PPP:** Priority Low-income Country

**PRCC:** Trade Capacity Building Program

**SDG:** Sustainable Development Goals

**SIDS:** Small Island Developing States

**SO:** Specific objective

**UNDP:** United Nations Development Programme



## **What is AFD?**

AFD is an inclusive public financial institution and the main actor in France's development policy. It makes commitments to projects that genuinely improve the everyday lives of people, in developing and emerging countries and in the French overseas territories.

AFD works in many sectors – energy, health, biodiversity, water, digital technologies, training – and supports the transition to a safer, more equitable and more sustainable world: a world in common. Its action is fully in line with the Sustainable Development Goals (SDGs).

Through its network of 85 agencies, AFD operates in 115 countries and is currently supporting over 4,000 development projects. In 2018, it earmarked EUR 11.4bn to finance these projects.

<http://www.afd.fr>



## AGENCE FRANÇAISE DE DÉVELOPPEMENT

Tel: +33 1 53 44 31 31 – Fax: +33 1 44 87 99 39  
5, rue Roland Barthes, 75598 Paris Cedex 12 – France

[www.afd.fr](http://www.afd.fr)

