JOINT MISSION TERMS OF REFERENCE DOMINICAN REPUBLIC

INVESTMENT PLAN (IP) Climate Investment Funds (CIF) Nature, People and Climate (NPC) Program

Location:Santo Domingo, Dominican RepublicDates:November 14th to November 16th, 2023Type:In person and virtual

EXECUTIVE SUMMARY

On November 1, 2022, the Climate Investment Funds (CIF) invited the Dominican Republic and four other countries to participate in the Nature People and Climate Program (NPC) with the preparation of an Investment Plan (IP) and under the accompaniment of the Multilateral Development Banks. This IP must be submitted for approval by May 1, 2024 at the latest. The Dominican Government asked the Inter-American Development Bank (IDB) to take the lead in coordinating the preparation of the Investment Plan (IP) and to work in coordination with the World Bank (WB).

A Scoping Mission to initiate the preparation of the CIF-NPC IP for Dominican Republic took place between March 27th – 30th, 2023, and was coordinated by the Government of the Dominican Republic (GoDR) through the National Climate Change Council (CNCC), acting as focal point of the Program, as main representative of the GoDR. Delegates from the Inter-American Development Bank (IDB), IDB Invest, the World Bank (WB), and the International Finance Corporation (IFC), participated in the Mission.

During the Scoping Mission, the GoDR and the MDBs decided to apply for the IPPG through the IDB as the designated coordinating agency for this program. An amount of USD 500,000 was approved. Five potential investment areas to study trough the IPPG and with potential to be supported within the IP were identified, namely, (i) Identification of the threats, exposure, and vulnerability of the watershed to climate change impacts; (ii) occupancy and status of agricultural activities inside the protected areas within the Yuna watershed; (iii) Potential use of Payment for Environmental Services (PES); (iv) potential for ecotourism activities in the watershed; and (v) potential for blue economy development in the lower areas of the watershed.

Based on the Aide Memoire of the Scoping Mission, the GoDR and MDBs agreed the following IP Objective: <u>To leverage and complement sectoral investments (current and future) in the Yuna watershed to ensure its comprehensive and sustainable management. The plan will aim to enhance its resilience to the impacts of climate change and promote sustainable economic growth for the communities.</u>

Also, the GCAP Sub-Committee has approved a funding allocation of USD34MM for the Dominican Republic to invest in the CIF-NPC program.

A Joint Mission is being planned for November 14th to 16th to review and agree on the IP progress with MDBs, GoDR and relevant stakeholders. The Joint Mission will hold technical meetings and gather the necessary information from the different stakeholders, institutions and consultants that would allow to finalize a first 'skeleton' of the IP, in accordance with the Terms of Reference of the mission.

MISSION OBJECTIVES

The main objectives of the Joint Mission are to: (i) review IPPG study progress and suggestions for activities that each consultant team is proposing for the IP, and (ii) review and discuss about Dominican Republic's CIF-NPC IP's main components and proposed investments

The following further specifies the Joint Mission objectives:

- Socialize the main aspects of each preliminary component of the IP with GoDR and MDBs.
- Review the proposed projects and development of the overall IP framework and its key elements with the GoDR, MDBs or other relevant stakeholders, to identify any necessary adjustments to be incorporated, including prioritization within areas of focus.
- Engage and include feedback from relevant stakeholders from GoDr such as Ministry of Environment, MDBs or other important stakeholders

SCOPE OF THE MISSION

Global objective of the NPC Program

The CIF- NPC Investment Program aims to tackle the multiple drivers and impacts of climate change, resulting from human activities on land resources and ecosystems services, in an integrated manner. The program will deploy nature-based solutions that recognize the interdependence among land use, climate-change mitigation and adaptation, and the improvement of livelihoods of rural communities and Indigenous peoples. The goal of the program is to deploy sustainable, multi-sectoral approaches to harness the potential of land resources and ecosystems for climate action and to target context- specific barriers to the sustainable use and management of land resources and ecosystems. To these ends, CIF Nature Solutions will deploy CIF's concessional resources to do the following:

• Establish a shared vision for sustainably using and managing land resources through a programmatic multi-stakeholder process, fostering partnerships across government levels, sector agencies, the private sector, local communities, and Indigenous Peoples.

• Strengthen enabling environments to encourage investments in Nature-based solutions and enable the adoption of sustainable practices. This will involve scaling-up support to national and sub- national governments in identifying specific socio-economic development and climate and land-related issues to address and in promoting measures to boost sustainable livelihoods, build resilience at the local level, and conserve, restore, and enhance natural resources.

• Tackle risks and financing barriers and create incentives for sustainable use of lands and natural resources, including those from coastal systems30, by providing risk coverage and catalytic funding.

• Foster innovation by providing funding support to pilot innovative projects and financial models and support the uptake of new technologies, including the use of data-driven spatial planning tools and agricultural innovations like biotechnology.

• Support Indigenous Peoples and local communities to actively develop and implement projects catering to their unique needs through dedicated resources.

Program application in Dominican Republic's case

In the case of the Dominican Republic, the government proposed to the CIF to build a "Ridge to Reef" program to promote economic growth and resilience in communities from the mountains to the coast, fostering inclusive and gender-equal development. This proposal will contribute to change unsustainable practices of farmers, ranchers, and fishermen. For example, watersheds restoration and protection, biodiversity conservation programs within the framework of agreements that facilitate training on best management practices and support for implementing the necessary changes for sustainable production, collaboration with coastal communities to promote the protection and restoration of mangroves, coral reefs and beaches, biodiversity conservation activities through the introduction of sustainable fishing gear, creation of fish reserves, coral farms and the development of alternative livelihoods for fishermen to reduce pressure on fish stocks and encourage reef regeneration, among others.

The Expression of Interest proposes to promote economic growth and resilience in the communities of the Yuna watershed, from its source to its mouth in the coastal zone. This is expected to be achieved through leveraging sectoral investments that ensure comprehensive and sustainable management of the basin.

ACTIVITIES TO BE DEVELOPED BY THE GODR AND MDBS PRIOR TO THE MISSION

• Agree on the Mission's Agenda and relevant stakeholders to participate and be consulted.

PARTICIPANTS OF THE MISSION (MDBs). See Annex 1.

PRELIMINARY AGENDA. See Annex 2

The Agenda can be modified through mutual agreement between the GoDR and MDBs.

To achieve successful participation of expected stakeholders' representatives in the different meetings of the agenda, it is advisable to send the corresponding invitations with at least two weeks in advance (e.g., ideally by October 31st, 2023).

It is strongly recommended for the Government's focal point on the NPC Program (CNCC) to join all sessions of the Joint Mission.

Annex 1. Participants of the Mission

On behalf of IDB Group

- Gloria Visconti
- Anabella Palacios
- Benoit Lefevre
- Elia Mariel Martínez
- Gilles Damais
- Luis de los Santos
- Yocauris Rodríguez
- Gisela Ferrari
- Smeldy Ramirez Rufino
- Milagros Rivas Saiz
- Joan Miquel Carrillo Cortada
- Omar Alfredo Zacarías Mateo
- Mauricio Ayala Roa
- Gabriela Meirovich Hilen

On behalf of WB Group:

- David Olivier
- Sofia Bufaliza
- Zhihong Zhang
- Tendai Madenyika
- Takiyah Tabia
- Camila Burgos
- Nicholas Menzies

On behalf of CIF:

- Paul Hartman
- Farah Outeldait
- Mike Ward
- Matthew Harris

Annex 2. Agenda Proposed Draft Climate Investment Funds (CIF) Nature People and Climate (NPC) Program

JOINT MISSION #1 AGENDA DOMINICAN REPUBLIC (PLEASE NOTE THAT THE SCHEDULE IS IN DOMINICAN TIME)

Dates: November 14th to 16th, 2023

Location:IDB Offices – Santo Domingo, Dominican RepublicType:In person and virtual meetings

Tuesday November 14th, 2023

Time	Subject	Participants	Comments
09:00 – 10:00	Opening: Welcome words, Agenda review and priorities.	 CNCC MARENA Inter-American Development Bank (IDB) World Bank (WB) International Finance Corporation (IFC) IDB Invest CIF Other stakeholders invited to the Joint Mission 	*protocol order to be determined
10:00 - 11:00	Identification of the threats, exposure, and vulnerability of the Yuna watershed to climate change impacts. Michela Izzo	 CNCC MARENA Inter-American Development Bank (IDB) World Bank (WB) International Finance Corporation (IFC) IDB Invest CIF Other stakeholders invited to the Joint Mission 	 Presentation: Michela Izzo (30 min) Q&A (30 min)
11:00 – 12:00	Potential for blue economy development in the lower areas of the watershed. HIDRIA	 CNCC MARENA Inter-American Development Bank (IDB) World Bank (WB) International Finance Corporation (IFC) IDB Invest CIF Other stakeholders invited to the Joint Mission 	 Presentation: Equipo HIDRIA (30 min) Q&A (30 min)

Time	Subject	Participants	Comments
12:00 - 01:00	Potential for	• CNCC	Presentation:
	ecotourism	MARENA	 Lourdes Russa (30 min)
	activities in the	Inter-American Development	
	watershed	Bank (IDB)	
		World Bank (WB)	• Q&A (30 min)
	Lourdos Dusso	International Finance Corresponding (UEC)	
	Lourdes Russa	Corporation (IFC)IDB Invest	
		CIF	
		 Other stakeholders invited to 	
		the Joint Mission	
01:00 - 02:30	Lunch		
02:30 - 03:30	Potential use of	CNCC	Presentation:
	Payment for	MARENA	 Victor Gómez Valenzuela (30 min)
	Environmental	Inter-American Development	
	Services (PES) in the	Bank (IDB)	
	Yuna watershed	World Bank (WB)	• Q&A (30 min)
	Watan Cársa-	International Finance Correction (USC)	
	Víctor Gómez Valenzuela	Corporation (IFC) IDB Invest 	
	Valenzuela	IDB InvestCIF	
		 Other stakeholders invited to 	
		the Joint Mission	
03:30 - 04:00	Potential for	CNCC	Presentation:
	Volunteer Market	MARENA	Smeldy Rufino
	for Biodiversity	Inter-American Development	Mauricio Ayala
	Credits	Bank (IDB) World Bank (WB) 	(15 min)
		 World Bank (WB) International Finance 	
	BID-LAB / BID-Invest	Corporation (IFC)	• Q&A (15 min)
		 IDB Invest 	
		• CIF	
		Other stakeholders invited to	
		the Joint Mission	
04:00 - 05:00	Diagnosis of	CNCC	Presentation:
	protected areas	MARENA	Equipo INSUCO (30 min)
	within the Yuna	Inter-American Development	
	watershed	Bank (IDB)	
		World Bank (WB)	• Q&A (30 min)
	INSUCO	International Finance Correction (USC)	
		Corporation (IFC)	
		IDB InvestCIF	
		 CIF Other stakeholders invited to 	
		the Joint Mission	
05:00 - 05:30	First day closing	CNCC	Open dialogue moderated by IDB
	meeting.	MARENA	
		 Inter-American Development 	
		Bank (IDB)	
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Time	Subject	Participants	Comments
	Main points and summary of discussions.	 International Finance Corporation (IFC) IDB Invest CIF Other stakeholders invited to the Joint Mission 	

Wednesday November 15th, 2023

Time	Subject	Participants	Comments
9:00 – 10:00	Portfolio for Nature Based Solutions in Yuna Watershed IDOM	 CNCC MARENA Inter-American Development Bank (IDB) World Bank (WB) International Finance Corporation (IFC) IDB Invest CIF Other stakeholders invited to the Joint Mission 	 Presentation: Equipo IDOM (30 min) Q&A (30 min)
10:00 – 11:00	Technologies Menu for Agropecuary Practices in the Yuna watershed CIPAV	 CNCC MARENA Inter-American Development Bank (IDB) World Bank (WB) International Finance Corporation (IFC) IDB Invest CIF Other stakeholders invited to the Joint Mission 	 Presentation: Equipo CIPAV (30 min) Q&A (30 min)
11:00 - 11:30	DR-L1161 Project – Yuna watershed Management Plan IDB	 CNCC MARENA Inter-American Development Bank (IDB) World Bank (WB) International Finance Corporation (IFC) IDB Invest CIF Other stakeholders invited to the Joint Mission 	 Presentation: Gilles Damais Luis de los Santos (15 min) Q&A (15 min)
11:30 – 12:00	GEF Project – Integrated Landscape Management in DR watersheds WB	 CNCC Inter-American Development Bank (IDB) World Bank (WB) International Finance Corporation (IFC) IDB Invest CIF Other stakeholders invited to the Joint Mission 	 Presentation: BM (15 min) Q&A (15 min)

Time	Subject	Participants	Comments
12:00 - 12:30	Dedicated Grant	CNCC	Presentation:
	Mechanism	MARENA	Paul Hartman (15 min)
	CIF	 Inter-American Development Bank (IDB) World Bank (WB) International Finance Corporation (IFC) IDB Invest CIF Other stakeholders invited to the Joint Mission 	• Q&A (15 min)
12:30 - 02:00	Lunch		
02:00 - 03:00	Draft proposal for CIF-NPC Yuna IP general structure IDB	 CNCC MARENA Inter-American Development Bank (IDB) World Bank (WB) International Finance Corporation (IFC) IDB Invest CIF Other stakeholders invited to the Joint Mission 	Presentation:Elia Martínez
03:00 - 04:00	Brainstorming Session Discussion about NPC project hypothesis proposal and general structure for the IP	 CNCC MARENA Inter-American Development Bank (IDB) World Bank (WB) International Finance Corporation (IFC) IDB Invest CIF Other stakeholders invited to the Joint Mission 	Open dialogue moderated by IDB
04:00 – 05:00	Social and Gender inclusion. Overview of gender and diversity study progress for Dominican Republic's IP-CIF- NPC	 CNCC MARENA Inter-American Development Bank (IDB) World Bank (WB) International Finance Corporation (IFC) IDB Invest CIF Other stakeholders invited to the Joint Mission 	 Presentation: Ms. Gisela Ferrari, Climate Change Division (CSD/CCS), IDB Ms. Farah Outeldait, CIF Secretariat (30 min) Q&A (30 min)
05:00 – 05:30	Second day closing meeting. Main points and summary of discussions.	 CNCC MARENA Inter-American Development Bank (IDB) World Bank (WB) International Finance Corporation (IFC) IDB Invest CIF 	Open dialogue moderated by IDB

Time	Subject	Participants	Comments
		Other stakeholders invited to the Joint Mission	

Thursday November 16th, 2023

ChanNPG 09:30 - 10:30 Interpresentation 09:30 - 10:30 Interpresentation 10:30 - 12:00 CIF-bass (construction) 10:30 - 12:00 CIF-bass (construction) 10:30 - 12:00 CIF-bass (construction) 12:00 - 01:00 CIF-bass (construction)	Subject	Participants	Comments
Frai Pro CIF 10:30 – 12:00 CIF- basi (cor Disc pro pro 12:00 – 01:00 CIF- basi Cor Disc pro pro pro basi (cor Disc Disc pro pro	Transformational Change aspects for the NPC IP CIF	 CNCC MARENA Inter-American Development Bank (IDB) World Bank (WB) International Finance Corporation (IFC) IDB Invest CIF Other stakeholders invited to the Joint Mission 	 Presentation: CIF (15 min) Q&A (15 min)
bas (cor Disc pro pro stru 12:00 – 01:00 CIF- bas	Integrated Results Framework for NPC Projects CIF	 CNCC MARENA Inter-American Development Bank (IDB) World Bank (WB) International Finance Corporation (IFC) IDB Invest CIF Other stakeholders invited to the Joint Mission 	 Presentation: CIF (30 min) virtual Q&A (30 min)
bas	CIF-NPC Yuna project basic structure (component 1) Discussion about NPC project hypothesis proposal and general structure for the IP	 CNCC MARENA Inter-American Development Bank (IDB) World Bank (WB) International Finance Corporation (IFC) IDB Invest CIF Other stakeholders invited to the Joint Mission 	Presentation and Open dialogue moderated by IDB
pro pro	CIF-NPC Yuna project basic structure (component 2) Discussion about NPC project hypothesis proposal and general structure for the IP	 CNCC MARENA Inter-American Development Bank (IDB) World Bank (WB) International Finance Corporation (IFC) IDB Invest CIF Other stakeholders invited to the Joint Mission 	Presentation and Open dialogue moderated by IDB

Time	Subject	Participants	Comments
02:30 – 04:00	CIF-NPC Yuna project basic structure (component 3) Discussion about NPC project hypothesis proposal and general structure for the IP	 CNCC MARENA Inter-American Development Bank (IDB) World Bank (WB) International Finance Corporation (IFC) IDB Invest CIF Other stakeholders invited to the Joint Mission 	Presentation and Open dialogue moderated by IDB
04:00 – 05:30	Closing meeting -Aide Memoire -Review of conclusions, goals and agreements -Calendar	 CNCC MARENA Inter-American Development Bank (IDB) World Bank (WB) International Finance Corporation (IFC) IDB Invest CIF Other stakeholders invited to the Joint Mission 	Open dialogue moderated by IDB