

May 18, 2011

**Comments from Canada on the Approval by Mail: St. Vincent and the Grenadines
Disaster Vulnerability and Climate Risk Reduction Project**

Dear Colleagues,

We appreciate the opportunity to provide comments on the project document entitled "St. Vincent and the Grenadines--Disaster Vulnerability and Climate Risk Reduction Project." We note a number of concerns specific to this initiative that may also be relevant for other projects submitted to PPCR Sub-committee members in the future. In addition, several of the issues that we raised with regard to the Grenada Disaster Vulnerability and Climate Risk Reduction Project are similar. While we do not want to delay the approval process now, a more thorough discussion on investments using PPCR resources would be welcomed at the next Sub-committee meeting in June.

- In contrast to the SPCR, there are few linkages between this proposal and the Regional Track for the PPCR Regional program for the Caribbean--which is the impetus for the committee agreeing to fund this national component of the pilot in St. Vincent & the Grenadines. While "regional" work is highlighted as a specific area in the proposal, the region being referred to is actually the Eastern Caribbean, and not the Caribbean region as a whole.
- The link between the corporate Results Framework adopted by the PPCR Sub-committee and this initiative is missing. How will this project contribute to achieving the overall results of the PPCR? To the regional program?
- While one of the objectives of the PPCR is to complement other multilateral financial mechanisms while integrating climate change impacts into national development planning, the proposal does not clearly identify how the respective mandates of the different funding mechanisms will be considered, as the funding is blended together. This is particularly an issue with regard to the potential re-categorization of financing to cover early recovery and rehabilitation costs.
- The project proposal is not specific to St. Vincent and the Grenadines, which leads to some confusion about what the Sub-Committee is asked to approve, in particular reference to sub-programs that occur in Grenada.
- There appears to be an inherent contradiction with the proposed "Emergency Recovery and Rehabilitation Mechanism" as the proposal suggests that the mechanism "would complement the participating countries memberships of the Caribbean Catastrophe Risk Insurance Facility (CCRIF), since the trigger would be a declaration of emergency following an adverse natural event, rather than CCRIF's parametric trigger." The basis for developing the CCRIF was, in fact, to use parametric triggers as a replacement to subjective one.
- We note that the salaries budgeted for the project are not in line with national norms. The GNI of St. Vincent & the Grenadines is \$8770, and the salaries budgeted are upwards of 10 times greater in some cases, which raises the issue of how these projects will be sustainable in the longer term. The national government has not yet assured any future funding for government employees in their relative functions.

- The project presented for consideration is completely gender blind, although the proposal acknowledges that female headed-households are particularly vulnerable to the effects of climate change.
- Similar to the Grenada proposal, there has been an increase of \$100,000 requested for MDB preparation and supervision costs from the original estimates (\$520K instead of \$420K) in recognition of limited capacity in the government. We would appreciate that any proposed increase in fees be flagged in the accompanying decisions requested of PPCR Sub-committee members.

Regards,

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