

**Saint Vincent & the Grenadines: OECS Disaster Vulnerability and Climate Risk Reduction Program
Technical Mission (P117871)**

&

Pilot Program for Climate Resilience Preparation Mission (P117330)

January 31 - February 4, 2011

Back-to-Office Report

1. In accordance with the SMO issued on January 28, 2011, Justin Locke (Disaster Risk Management Consultant, LCSUW), Diana Rubiano (Senior Landslide Engineer Consultant, LCSUW), Seyoum Solomon (Procurement Specialist Consultant, LCSUW) and Yaa Oppong (Senior Social Development Specialist, SDV) traveled to Saint Vincent and the Grenadines (SVG) to undertake a technical mission for the proposed OECS Regional Disaster Vulnerability and Climate Risk Reduction Program (DVRP) and assist the Government of SVG in formulating their Strategic Program for Climate Resilience (SPCR) under the Pilot Program for Climate Resilience (PPCR) from the period of January 31 - February 4, 2011.

2. The agreed mission objectives were to: 1) carry out a technical assessment for identified landslide mitigation/slope stabilization works proposed under the DVRP/PPCR; 2) assess progress and provide technical assistance on issues related to social safeguards; 3) facilitate progress on the items requested for retroactive finance under the Hurricane Tomas Emergency Recovery Project (P124939); and 4) participate in national PPCR GIS/Data Management, Coastal Zone Management and Watershed Management workshops.

3. **DVRP / PPCR Progress and Summary of Key Decisions:** It was re-confirmed by the Government of SVG that the DVRP and PPCR will be developed and implemented as a single co-financed project, and presented to the Board in a single PAD. The final list of activities to be included in the PAD for both the DVRP and PPCR were received on February 10, 2011 - following the completion of the mission. The mission brought to the attention of the Government that the PPCR Sub-Committee Meeting to be held in Tunis, Tunisia on March 16-18 was cancelled; however, it was agreed that the Government would keep to the agreed schedule, and PPCR SPCR will be submitted to the PPCR Sub-Committee / PPCR Admin Unit by February 28, 2011. The Government confirmed that they will request US\$7-8 million in grants and US\$2-3 million in highly concessional financing from the PPCR.

4. ***Project Components, Procurement and Safeguards:*** Below is a summary of progress and key decisions regarding specific components and procurement / safeguard aspects of the project:

•*Emergency Contingency Credit (Component 3)* - During the first DVRP / PPCR Technical mission (November 4-19, 2010) the Government agreed to the integration of an "emergency contingency financing" component into the proposed Disaster Vulnerability and Climate Risk Reduction Program, and discussed the design options for the component. The contingency line of credit, if activated following a disaster event, would disburse funds to cover the following sub-components: a) targeted budget support to the Ministry of Finance and Economic Planning (disbursing against a positive list of critical imported and locally-manufactured goods; and b) specific emergency recovery and reconstruction activities and investments, including the purchase of goods, works and consultant services following the Government's submission and Bank approval of the list of activities to be financed. During the mission, the Government agreed to allocate US\$1 million from the total IDA-funded envelop (approx. US\$10 million) to the component. This was agreed to with the understanding that if the component is not activated by year 4 of the project it would be re-allocated to a specific project activity or set of activities.

•*Prevention and Adaptation Investments (Component 1)* - The mission jointly reviewed and prioritized the final list of activities proposed under Component 1: Prevention and Adaptation Investments. Activities include the rehabilitation of flood mitigation infrastructure (physical river defense and drainage systems); retrofitting of public buildings including emergency shelters; rehabilitation and protection of critical feeder bridges and roads; and coastal defense activities. The component will also include supporting studies required for the development of works packages such as pre-engineering investigations (e.g. hydrologic / hydraulic and geotechnical studies) and associated engineering activities required to support design and safeguard compliance - including studies to relocate the national hospital (National Milton Cato Memorial Hospital) to a more suitable site.

•*Capacity Building for Hazard and Risk Evaluation, and Application for Improved Decision Making (Component 2)* - The mission also jointly reviewed and prioritized the final list of activities proposed under Component 2: Capacity Building for Hazard and Risk Evaluation, and Application for Improved Decision Making. Activities under this component are designed to support national capacity to evaluate, assess and integrate natural hazard and climate risk reduction into national development policy, improved engineering design, and inform the development decision making process. Activities will include institutional strengthening of the Ministry of Transport and Works, hydro-meteorological capacity building, climate risk assessments, public education and community outreach, information and data management capacity building, capacity building of the National Emergency Management Organization, strengthening institutional capacity to enforce building codes, community-based water resource management, institutional capacity building for climate change adaptation, natural hazard and climate risk model improvements and, a comprehensive climate resilience pilot project on Union Island

in the Grenadines. The set of capacity building interventions are designed to support an overall strategy of disaster risk management and climate change adaptation, which will allow SVG to prioritize investments and improve risk management across sectors.

•*Safeguards* - The mission confirmed the finalization of the project Environment Assessment (EA), which was published in-country. The EA will also be published in InfoShop shortly. During the joint review of the Resettlement Policy Framework (RPF) with the Government's Social Policy Coordinator, it was acknowledged that little progress had been made, and successive status updates in the interim (January 2011) had not been adequately addressed. It was also noted that the recommendation made by the Bank to hire a lawyer to assist in the documenting the fit between the Borrowers Laws and Bank Policy (OP 4.12) pertaining to Involuntary Resettlement/land acquisition had not been implemented. The mission also reviewed the progress of the project Social Assessment. Research methods for the assessment had been finalized, and the final Social Assessment is expected to be finalized shortly and published in-country. Once finalized, the Bank team will upload the assessment to InfoShop.

•*Procurement* - The Bank team worked with the Government Procurement Assistant to come up with a priority list of items to be procured under a retroactive financing agreement. Items identified for processing under the retroactive financing arrangement include the procurement of: 1) Gabion baskets (US\$290,000); 2) Equipment for institutional strengthening (US\$100,000); 3) Vehicle for Component 4 (Project Management and Implementation Support) (US\$25,000); and 4) Selection of consultant for design of civil works (US\$190,000). It must be noted by the mission that the contract for the Senior Procurement Officer of the Government ended in December 2010 and would not be renewed. The Second Procurement Officer would also be ending his contract shortly and would be leaving the country. During project preparation mission in September 2010, an agency capacity assessment to carry out procurement in line with World Bank guidelines was carried out. At the time of this assessment, Public Sector Investment Program Management Unit (PSIPMU) had three procurement staff (two procurement officers and a procurement assistant), who were carrying out procurement on World Bank and other donor funded projects. On the basis of this assessment, the risk rating was determined to be "moderate" upon which the thresholds for the use of selected methods of procurement and consultant selection were established. The Bank informed the client that an expeditious replacement to these vacancies is necessary to ensure proper project implementation of the Hurricane Tomas Project. For the project documents of the DVRP/PPCR project the Bank will have to assess the current PSIPMU risk rating for procurement capacity as high until the vacancies have been filled.

5. **Next Steps:** The following next steps were agreed to at the conclusion of the mission:

- Finalization of the Resettlement Policy Framework and Social Assessment: February 25, 2011
- Official Submission of the SPCR to the CIF PPCR Sub-Committee / CIF Admin Unit: March 4, 2011
- Appraisal: March 21-25, 2011
- Negotiations: March 28 - April 1, 2011
- Board Presentation: May 31, 2011
- Presentation of Project to Parliament: June - August 2011
- Credit Effectiveness: August 2011