

DOMINICAN REPUBLIC

**SECTOR FACILITY
DISASTER PREVENTION AND RISK MANAGEMENT PROGRAM**

(DR-0145)

LOAN PROPOSAL

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EXECUTION:

Operating Regulations for the Disaster Prevention and Risk Management Program, with Annex including Terms of Reference for the Personnel of the Executing Unit.

Model Municipal Ordinance for creating municipal environmental and risk management units and commissions.

Draft Memorandum of Understanding between the Technical Secretariat of the Presidency and the Office of Emergency Management of Bogotá for technical cooperation to adapt the risk management software, SIRE, to support the STP in the administration of the national risk management policy.

Guide for training in risk management (five modules), prepared under 1152/OC-DR.

Teachers Guide for introducing risk management in the school curriculum, prepared under 1152/OC-DR and adopted by the Secretary of Education.

Methodology for selection of eligible municipalities, prepared by project team.

Draft Terms of Reference for the Director of SNIA.

¡Ponte alerta! Stamp album for school children, prepared by ABT.

Abbreviations

GDP	Gross Domestic Product
GTZ	German Aid Agency
ONAPLAN	National Planning Office
SEE	Secretary of Education
SEMARENA	Secretary of Environment and Natural Resources
SIRE	Information System for Risks and Emergencies
SNIA	National Service of Environmental Information
STP	Technical Secretariat of the Presidency
SSE	Secretary of Education
SSP	School Safety Program (<i>Programa de Seguridad Escolar</i>)
UE-PMR/STP	Executing Unit of the Technical Secretariat of the Presidency

DISASTER PREVENTION AND RISK MANAGEMENT PROGRAM (DR-0145)

DOMINICAN REPUBLIC

EXECUTIVE SUMMARY

Borrower:	Government of the Dominican Republic	
Executing agency:	Technical Secretariat of the Presidency (STP)	
Amount and source:	IDB: (OC) million of US\$	US\$5.000
	Local:	<u>US\$1.661</u>
	Total:	US\$6.661
Financial terms and conditions:	Amortization Period:	25 years
	Grace Period:	2.5 years
	Disbursement Period:	2.5 years
	Interest Rate:	variable
	Supervision and Inspection:	1 %
	Credit Fee:	0.75 %

Currency: U.S. Dollars from the Single
Currency Facility

Objectives: The goal of the program is to help the country to improve its capacity to reduce and manage risks of disasters. This operation seeks to help the Government set in place key elements of its national risk management strategy and to provide the experience and technical analysis necessary to position the country to establish a larger program of public investment in risk reduction in the near future. Specifically, the program will: pilot a local risk management program in eight municipalities, introduce basic mitigation measures to safeguard schools and students from natural hazards, and provide the Technical Secretariat of the Presidency with the technical capacity to oversee and promote the implementation of the National Risk Management Policy and Plan.

Description: **Component I: Local disaster prevention and risk management (US\$4.055 million)**

The objective of this component is to enable eight municipalities to better understand and manage their risk of disasters and to provide the national authorities with a tested model for supporting local risk management throughout the country. In these eight municipalities, the component will finance: training and consolidation of municipal environmental management units and commissions, public awareness campaign, risk evaluations and scenarios, preparation of municipal action plans for risk reduction, local information systems, as well as pilot community level mitigation projects and basic equipment for emergency preparedness. An operational scheme (manual) that encapsulates the rules for accessing the mitigation funds will be piloted.

Component II: Risk management in education (US\$ 0.49 million)

The objective of this component is to help safeguard educational infrastructure from disasters, and to prepare students and their communities to reduce the risk when possible and to better deal with the disasters when they occur. The component will finance: the development of model guidelines and prototypes for safeguarding schools from disasters, which will be incorporated into the National Education (10-year) Plan; training 5,000 teachers to introduce material and strategies for educating students about disasters, risk reduction and management; and school emergency plans, basic preparedness equipment and training in 540 schools.

Component III: Policy leadership and administration of the risk management plan (US\$1.645 million)

This component will permit the executing unit and the Technical Secretariat of the Presidency to: (i) assume their coordination and execution responsibilities for the present operation; (ii) monitor the implementation and performance of the risk management policy and

national plan; and (iii) promote the economic and social development of the country in a way that contributes to reducing risk. The component will finance the contracting of a minimal technical team for the executing unit, as well as the technical studies and instruments to support the strengthening of the country's capacity to oversee and promote risk management into the future.

Bank's country and sector strategy:

The present program corresponds to the priorities agreed with the Government in the Country Paper to contribute to: (i) improve the capacity for prevention, mitigation and response to disasters as well as for managing deterioration of the environment; (ii) improve the capacity of institutions to respond to the needs and aspirations of the population; and (iii) promote activities that contribute to decentralization, and in particular, reinforce strategic areas of municipal management.

Government's approach to establishing risk management corresponds directly to the strategy detailed in the Country Paper (paragraphs 2.40-2.45), approved in June 2001. The present operation, which supports the Government in the implementation of its National Policy for Risk Management, is developed according to the requirements for a Disaster Prevention Facility, and is consistent with the Bank's policy on Disasters (OP-704).

Environmental/social review:

The present operation will have no negative environmental impacts due to the nature of the operation. It will reinforce environmental management capacity within the country, by helping to establish and consolidate municipal environmental management units as specified in the new environmental law (Law 64-00), and contributing local risk evaluations, local risk reduction plans and specific measures in the eight municipalities. The mitigation measures to be financed will be subject to environmental review, but are likely to have a positive environmental effect. Moreover, they are expected to be non-structural measures and modest works.

On the social side, the challenge for the present operation is to adequately engage the participation of the local communities and women, in particular, in the program activities. The operation will use the successful outreach methodology utilized in the community training programs and pilot project in La Vega, where they had good results in garnering participation from neighborhood organizations, environmental associations, industry, and women in the local commissions and the risk evaluations. The draft model municipal ordinance that this operation will use to promote the establishment/consolidation of the municipal environmental and risk management units and commissions clearly specifies this desired membership.

Benefits:

The municipal authorities and local actors will gain experience in assuming their risk management responsibilities, as laid out in the national risk management policy and plan. At the completion of the program, municipalities will have trained environmental management units, risk evaluations for their localities, as well as a set of mitigation tools and pilot experiences upon which to build into the future. At the same time, the national policy authorities will have better information on risks, and experience to orient the design of a nationwide program for local risk management.

The activities supporting policy leadership and administration of the risk plan will help to consolidate the country's transition from response and emergency-oriented policies, to ex-ante policies to reduce vulnerability and manage risk. Specifically, the program will help the Government to generate and monitor key information regarding potential impacts of disasters and the country's ability to manage it. Together with the strategy for financing developed under this operation, this information will prepare the country to make decisions to promote sustainable risk management in the near future. This will put the Dominican Republic on the forefront of national risk management in the hemisphere.

Finally, the execution structure for the execution of the present program, which builds upon the track record of the UE-PMR/STP in multi-agency coordination and resource management, will help reinforce an effective model for oversight and promotion of risk management.

Risks:

Municipal authorities, which have limited experience in prevention and mitigation at this stage, may be slow to effectively participate in the risk management activities. The start-up of Component 1 is geared to motivate the municipal authorities and establish a close working relationship for the execution.

Also at the municipal level, there is the related risk regarding the sustainability of the risk management efforts. The present operation seeks to reduce this risk by delivering the institutional strengthening activities – training and establishing of the municipal environmental management units and commissions – within the framework of the national environmental law's mandate for the local level. Moreover, with the newly elected city administrations taking office in August, the program will have the benefit of stable political period during which these activities can develop with the local actors.

Special contractual clauses:

Contractual condition for first disbursement: The Executing Agency will present evidence that it has adopted the Project Operational Rules, in terms agreed upon with the Bank (see paragraphs 3.4).

Contractual conditions prior to the first disbursement of each

component:

Component I. The Executing Agency, through the UE-PMR/STP, has contracted the coordinator for the execution of this component and has signed agreements with at least one of the eight participating municipalities, under the terms and conditions previously approved by the Bank (see paragraphs 3.3 and 3.5).

Component II. The Executing Agency, through the UE-PMR/STP, has executed an inter-agency agreement with the Secretary of Education for the execution of the activities of this component, under the terms and conditions previously approved by the Bank (see paragraph 3.5).

Notwithstanding that the Executing Agency has not complied with the prior conditions above, the Bank may disburse up to \$300,000 to allow the initiation of program activities, when the Executing Agency is in compliance with the general conditions established in Article 4.01 of the General Conditions of the loan contract.

Poverty-targeting and social equity classification:

This operation does not qualify as a social equity enhancing project, as described in the indicative targets mandated by the Bank's Eighth Replenishment (document AB-1704).

Exceptions to Bank policy

None.

Procurement:

Procurement of goods and contracting of consulting services will be governed by the Bank's standard procurement procedures. International competitive bidding (ICB) will be used to procure consulting services in excess of US\$200,000 or goods in excess of US\$350,00. Works in excess of US\$1.0 million will not be contracted. Procurement below these thresholds will be governed by the procedures described in paragraph 3.23.

Performance indicators and monitoring benchmarksComponent I. Local disaster prevention and risk management

- The eight participating municipalities have legally created environmental management units and commissions, who have received risk management training and are equipped with basic information and decision-making system for risk management. Completed by June 2004.
- Hazards, vulnerabilities, and community perceptions of risk reflected in the local risk evaluations and scenarios in 8 municipalities (maps and texts), completed by June of 2003.
- A public awareness campaign completed in 8 municipalities by June of 2004, with improvements in households' awareness of risk of disasters and the measures they can take to reduce potential losses and impacts.
- 8 municipal action plans for risk management that identify priority mitigation investments completed, by August 2003.

Component 2. Risk management in education

- Model guidelines including, siting guidelines, model/prototype designs for hazard-resistant schools (new and retrofitting) and for schools to double as emergency shelters; and risk management chapter for the National Education (10-year) Plan. Completed by June 2004.
- 5,000 teachers trained in the use of Teaching Guide. Curriculums including risk management implemented in classroom at the basic and intermediate levels. Completed by June 2004.
- 540 schools with risk management committees, who have evaluated specific hazards and have prepared and tested the school emergency plan, and are equipped with first aid kits by June of 2004.

Component 3: Policy leadership and administration of the risk Management Plan

- Monitoring framework adopted by the UE-PMR/STP and information collected related to risk conditions, mitigation investment, and institutional capacity. Publication of semi-annual reports on the state of risk management in the Dominican Republic.
- Recommendations for social and economic sector strategies and plans for the reduction of vulnerabilities and risk management issued by June 2004.
- The economic authorities have issued a plan of action for adopting a sustainable financing strategy for the national risk management system and plan by June of 2004.

Reporting arrangements

Initial report. Within the first 6 weeks from eligibility the UE-PMR/STP will prepare the work plan for the first year, including calendar, performance indicators and outcomes agreed in the logical framework.

Quarterly, the UE-PMR/STP will produce a summary report of progress on the performance indicators and expected outcomes agreed in the operation's log frame. These reports will monitor the goals, calendar, process and financial and physical execution of the project and include the means to identify problems and to correct them with the implementing agencies.

Each year (at months 12 and 20), the UE-PMR/STP will prepare a consolidated annual progress report on the execution of the program for the Bank, detailing the execution of each component, the compliance with the activities in the execution matrix, and incorporating the results of the monitoring reviews by the Inter-Institutional Technical Committee. The UE-PMR/STP will invite the Bank and the participating agencies to the presentation of the progress reports, no later than one month after presenting the consolidated annual progress reports, to evaluate any necessary

adjustments to the Program and execution scheme. For the first annual progress report, the UE-PMR/STP will also prepare the work plan for the second year. For the second annual progress report, the UE-PMR/STP and the Bank will agree on the Terms of Reference for the final evaluation of the project, which in addition to evaluating the project's performance will evaluate the country's readiness to define a larger process of public investments in risk reduction.

I. FRAME OF REFERENCE

A. Introduction

- 1.1 The Dominican Republic is no stranger to natural disasters, and the Bank has been a principal partner in supporting its recovery and reconstruction after these events. Hurricane Georges in 1998, which took 250 lives and caused economic losses estimated around US\$2.2 billion, is the most recent example of both. While it is the large-scale disasters like Georges that grab international attention, these dramatic and damaging events are only part of the problem. Every year, the country suffers more than 50 medium and small-scale events. A recent study suggests that over the last 30 years, these events together may have caused the same level of damage as the less frequent, but more severe events.
- 1.2 In the time since Hurricane Georges, the country with Bank support has embarked on a concerted process, including the development of a National Risk Management Policy and Plan, to modernize its capacity to reduce the impact of these events. The present operation – proposed for financing under the Sector Facility for Disaster Prevention – will help the Government set in place the key elements of this national strategy. Drawn from the policy and plan, the proposed set of activities will help improve priority risk management capabilities and to lay the foundation for a larger-scale program of investments in risk reduction in the near future.
- 1.3 In the Dominican Republic, the majority of the country's small and medium-sized disasters occur in urban areas, where local governments and citizens have limited experience in managing their risk. The discussion below outlines the challenges facing local communities as well as the risk management capabilities the country has to meet these challenges.
- 1.4 The country's recent experience with its successful Prevention Program, partially financed by the Bank under loan 1152/OC-DR, has provided key policy and operational resources for taking risk management into the future. The present operation places important emphasis on improving the country's policy leadership and national-level administration of risk management. Nevertheless, the majority of this operation's activities and resources is directed at improving local risk management, through proven tools of local organization, risk evaluation, mitigation planning, information management, and education.

B. Disasters and risk in the Dominican Republic

- 1.5 Located in the Caribbean hurricane belt and atop tectonic plates, the country is exposed to tropical cyclones and severe storms, floods, droughts, wildfires, as well as earthquakes, and landslides. Most recently, Hurricane Georges (September 22, 1998) took over 250 lives and caused economic losses (direct and indirect) estimated around US\$2.2 billion, or 14% of the country's GDP. But Hurricane Georges is only the latest in a series of severe disasters. Hurricanes David and Frederick in 1979 caused US\$830 million in damages, with thousands of lives lost. The severe drought in 1997, related to *El Niño* registered considerable impacts in the energy and the agricultural sectors, affecting particularly hard the production of basic foodstuffs, potable water supplies, and

electricity. Earthquakes have also frequented the island in 1911, 1912, 1920, 1923, and 1946 – this last event was 8.1 on the Richter scale and caused severe damage to the north of the country and the capital. A recent study¹ estimated a 1-in-100 year earthquake would cause extremely high losses in the Dominican Republic, with the authors estimating these losses at US\$6 billion, representing about one fourth of the capital stock.

- 1.6 In recent decades, the Dominican Republic has experienced persistent poverty, coupled with rapid urbanization and an accelerated degradation of the environment and natural resources. Together these have led to increasing vulnerability and a growing numbers of disaster events. According to the recent inventory of disasters², which catalogued the small to medium sized disasters in the last 35 years, the country suffered over 2,100 of these events. Urban communities bear the majority of the impact of these disasters. The *Distrito Nacional* experienced the greatest number of disasters over the period, followed by the cities of Santiago and La Vega, respectively. The most common events were fires and flooding, with windstorms and drought figuring as well.
- 1.7 The larger cities, like Santo Domingo and Santiago, have a municipal office for emergency management, together with an inter-agency emergency committee (civil defense, Red Cross, fire department), who are focused on preparing for, responding to, and recovering from *emergencias*. However, risk management – *ex ante* planning and investments to reduce vulnerability – is taking place only in an *ad hoc* fashion at best in the cities. Some local communities are evaluating their hazards and vulnerability, but in general these are scarce on the municipal level. The maps and other information on hazards that exist are predominantly at the national scale, and municipalities have no effective means to request and utilize the information.
- 1.8 The adoption of measures to reduce potential disaster impacts by municipal development planning and programs is the exception, rather than the rule. Recently however, cities are establishing or beginning to consolidate their environmental management units³, as required by the new environmental law (Law 64-00). With Bank support, select localities have also received training in incorporating disaster risk management as part of local environmental management. The municipal authorities of Azua and La Vega, also with Bank support, were introduced to risk management principles and involved local stakeholders in evaluating their hazards. The local engineers in Santiago, the country's second largest city with a population of over 500,000 people, have begun evaluating that city's seismic hazard.

C. The Technical Secretariat of the Presidency and the Inter-institutional Technical Committee for Risk Management

- 1.9 The Technical Secretariat of the Presidency (STP), the Government's senior policy and technical body, has the responsibility to orient the social and economic development of

¹ "National Systems for Comprehensive Disaster Management, Phase 2: Financing Reconstruction." Freeman, Paul et al. 2002.

² *Los Desastres Ocurridos en la República Dominicana, 1966 – 2000*. ODC-INGENIAR-La Red / ICF Consulting. October 2001.

³ Four of the eight municipalities participating in the present operation have already established their municipal environmental management units, with a director.

the country which it does through the preparation of national plans and the coordination of related programs and projects. The STP also creates executing units and orients public resources to implement these programs.

- 1.10 In the last two years, the STP, through its executing unit **for Disaster Prevention, Mitigation, and Response** (UE-PMR/STP) has led a successful multi-institutional effort to lay the conceptual, operational, and initial experience in disaster prevention and risk management. The government, supported by Bank loan 1152/OC-DR, has undertaken extensive training and public awareness in prevention and mitigation, environmental and land-use pilot activities, the development of an integrated information system that is ready to begin operation, as well as a national emergency plan and investments in emergency preparedness capacity. As the result of a process of broad and technical involvement of the principal institutions, the STP also issued both a National Policy and a National Plan for Risk Management. The latter lays out the policy's principal programmatic directions and the network of responsible institutions. A draft risk management law that articulates the national policy and the institutional arrangements responsible for its implementation is now under consideration by Congress.
- 1.11 Having the STP lead the development of the national policy and plan has been indispensable for signaling the importance of risk management to the different sector authorities and for stimulating their participation. This leadership is responsible for shifting the country's policy away from the exclusive focus on emergency management, towards instituting risk management with its requisite ex-ante planning and multi-sector approach.
- 1.12 These successes in initiating risk management have brought new requirements for the Government's senior policy body. The administration of the national risk management policy will require specialized knowledge of the country's risk situation and its management throughout the country and economy. The effective implementation of the national risk management plan, including the roles and responsibilities of the participating institutions that make up the risk management system, will require sustainable and appropriately targeted financing from the national budget in the future.
- 1.13 **The Inter-Institutional Technical Committee for Risk Management**, formally constituted over the summer of 2001, includes the principal national agencies and private associations active in risk management. They include the scientific and technical agencies, the line ministries, the emergency preparedness and response agencies, and civil society: ONAPLAN, Civil Defense, Public Works, Dominican Corporation of Electricity, National Water and Sanitation Institute, the National Meteorological Office, Secretary of Education, Secretary of Public Health, Tourism, Red Cross, and representatives from the private sector and civil society. These agencies have been active in the government's disaster prevention and risk management activities, including the preparation of the National Risk Management Plan, as mentioned above. The Secretary of Education has been particularly proactive as evidenced by its adoption of a national plan for incorporating risk reduction and disaster management in formal education, and its execution of various activities under 1152/OC-DR aimed to integrate risk management in Dominican culture.

- 1.14 The effective participation of these institutions, notwithstanding, there are opportunities to introduce improvements. The risk management activities to date have taken place largely at the national level, with only pilot activities with the municipalities and select local communities. Municipal governments and local stakeholders should be encouraged to undertake risk management within the framework of the national policy and plan. Public resources should be assured to enable the risk management institutions, including municipal governments, to meet their responsibilities in reducing risk in their respective sectors.

D. The Program strategy for implementing Risk Management

- 1.15 The Government's strategy for modernizing risk management is set out in the Policy and the National Risk Management Plan. The National Policy stipulates that prevention and risk management are fundamental elements of sustainable development and, as a consequence, its implementation is necessarily multi-sectoral, including actors at the national to local levels. The Policy calls for opportune management of technical, administrative and financial resources across the various sectors, including establishing institutional responsibilities when necessary to attain the policy's objectives.
- 1.16 The present operation, which will jumpstart the implementation of the Government's Risk Management Plan, is based on five priority principles for strengthening the country's risk management capacity:
- a. Risk management is decentralized and strengthened. Most disasters have predominantly local impacts and it is the local actors who are most sensitive to the need for prevention. They decide to apply mitigation measures based on local interests, perceptions of acceptable risk, and trade-offs. The present program will work with municipal and community stakeholders to introduce risk management tools (decentralized environmental management, risk evaluations, investment planning) and strengthen local risk management. At the same time, it will lay the operational foundations for an effective wholesaling mechanism to promote and finance investments in risk reduction at the local level.
 - b. Priority sector planning incorporates risk reduction measures. Risk reduction is accomplished when sectoral actors are able to identify the risks they face and to implement mitigation measures. Education administrators and teachers in the Dominican Republic have established a program that incorporates risk reduction criteria in their planning. The present program will support the education sector to implement immediately select activities that have demonstrable high returns: activities that will orient the sizable future education investments into safeguarding physical infrastructure (schools) against disasters, and train students and their communities in how to prepare for and respond to imminent events.
 - c. Decision-makers orient the production of risk information and analysis. In the Dominican Republic today, risk-related data, and risk evaluations and scenarios, are of questionable quality and are poorly matched with the needs of decision-makers. Poorly articulated demand is partly to blame. This program will equip would-be consumers of risk information and analyses – local level decision-makers and national policy-makers – to effectively articulate their information needs and to orient producers of risk information.

- d. The country's risk management policy and plan are financially sustainable. The country is at an important juncture in which it must plan for covering the cost of its risk management policy. A sustainable financing strategy for risk management will include covering the cost of the basic and optimal operation of the national risk management system (institutional responsibilities and programs), the investments to reduce potential losses to a manageable level (public and private), and the policy and financing instruments necessary to cover eventual losses (emergency and reconstruction).
- e. Policy leadership and administration of national risk management plan. The country's highest policy level, the Technical Secretariat of the President, will monitor the implementation of the risk management policy and national plan – both of which include programs across the multiple development sectors. At the same time, the senior policy body will collect information in order to monitor whether the country's risk management goals are being attained, and to assess which of the country's economic and social policies are contributing to reducing risk, and which require refinement or change.

E. Relationship to Bank-Country and sector strategy

- 1.17 Government's approach to establishing risk management corresponds directly to the strategy detailed in the Country Paper (paragraphs 2.40-2.45), approved in June 2001. The present operation, which supports the Government in the implementation of its National Policy for Risk Management, is developed according to the requirements for a Disaster Prevention Facility, and is consistent with the Bank's policy on Disasters (OP-704). In so doing, the program corresponds to the priorities agreed with the Government in the Country Paper to contribute to: (i) improve the capacity for prevention, mitigation and response to disasters as well as for reducing the deterioration of the environment; (ii) improve the capacity of institutions to respond to the needs and aspirations of the population; and (iii) promote activities that contribute to decentralization, and in particular, reinforce strategic areas of municipal management.
- 1.18 The present operation is also consistent with the Bank's Policy on Natural and Unexpected Disasters, which puts disaster prevention and mitigation within the development vision of the Bank. The Bank policy underscores the priority of building risk management capacity in the region and stipulates that the analysis and management of risk will be mainstreamed in the Bank's lending operations. In March 2000 at the Annual Meeting of Governors in New Orleans, President Iglesias presented the Bank's "Plan of Action" for making this policy a reality in the region and the Bank.⁴

F. Other donor support for the Dominican National Risk Management plan

- 1.19 The Bank has facilitated discussions between the Executing Unit of the Technical Secretariat of the Presidency (UE-PMR/STP) and GTZ for technical assistance to support the implementation of the National Risk Management Plan. This technical assistance program, due to begin in May, will consolidate the acceptable methodologies for macro

⁴ Facing the Challenge of Natural Disasters in Latin America and the Caribbean: An IDB Action Plan. 2000. IDB, SDS Special Report.

and micro analysis of risk at the urban level, and finance the exercises in the city of Santiago. This program will help the Government to initiate the construction of natural hazard and risk scenarios in Santiago, as well as provide valuable information to support its risk evaluation activities in the eight municipalities supported by the present Bank financing.

G. Justification for the proposed program under the sector facility for disaster prevention

- 1.20 Sector Facilities (Document GN-2085-2) provide fast-track support, up to US\$5.0 million, to address problems of a sectoral or cross-sectoral nature. The emphasis is on pre-defined low-cost activities, characterized by relatively high impact, high sector relevance and urgency, less complex preparation, and rapid execution. The Sector Facility for Disaster Prevention assists countries to take an integrated approach to reducing and managing their risk of disasters, and specifies five areas eligible for Facility financing. Special consideration is given to operations that have a high demonstration potential and that prepare countries to launch larger scale national risk reduction programs.
- 1.21 The present operation is proposed for financing under the Sector Facility for Disaster Prevention, as it meets the eligibility criteria of the Facility. Specifically, the operation will finance activities in the following eligible areas: (i) Risk identification and forecasting: local hazard and vulnerability maps, with disaster scenarios and the zoning of risk areas for eight municipalities. (ii) Mitigation: model guidelines and prototypes for safe schools; public awareness campaigns; municipal action plans and community level mitigation projects to reduce vulnerability. (iii) Preparedness: equipment and training for local emergency responders and schools to enhance their readiness to respond to an emergency. (iv) National systems for risk reduction: national policy information and monitoring capacity; sustainable financing strategy for the national risk management system and plan; and integration of the Secretary of Education's strategy for safe schools into the National Education (10-year) Plan.
- 1.22 Finally, the present operation will provide the country with experience in promoting risk management at the municipal level as well as in administering the national policy and plan. The operation also will provide the technical evaluations and policy discussions necessary for defining a sustainable financing strategy for the implementation of the risk management plan. As a result, this operation is expected to provide the operational experience and policy tools to allow the Government to design and implement the full national risk reduction plan in the near future.

II. THE PROGRAM

A. Objective

- 2.1 The goal of the program is to help the country to improve its capacity to reduce and manage risks of disasters. This operation seeks to help the Government set in place key elements of its national risk management strategy and to provide the experience and technical analysis necessary to position the country to establish a larger program of public investment in risk reduction in the near future. Specifically, the program will: pilot a local risk management program in eight municipalities, introduce basic mitigation measures to safeguard schools and students from natural hazards, and provide the Technical Secretariat of the Presidency with the technical capacity to oversee and promote the implementation of the National Risk Management Policy and Plan.
- 2.2 The bulk of the present financing will be aimed at establishing basic risk management capacity in eight pilot municipalities (Component 1). Risk Management in Education (Component 2) will equip the Secretary of Education to define and adopt a risk management strategy for safeguarding future infrastructure investments and to provide teachers and students with the training and basic equipment to prepare for disaster events. The Policy Leadership and Administration of the Risk Management Plan (Component 3) will permit the UE-PMR/STP to oversee and promote the implementation and performance of risk management in the country, orienting the economic and social development of the country in a way that promotes risk reduction.

B. Component I. Local disaster prevention and risk management (US\$4.055 million)

- 2.3 The objective of this Component is to enable eight municipalities⁵ to better understand and manage their risk of disasters and provide the national authorities with a tested model for supporting local risk management throughout the country. The eight municipalities were selected from the 29 provincial capitals and as a group are representative of Dominican cities. The eight come from all three geographical regions and include cities from very small to large populations. The eight selected have a greater level of municipal management capacity and of social infrastructure than the other cities in their region. Together, they provide a mix of hazard profiles (including cities that face landslide, drought, earthquake, hurricane, flooding, and multiple hazards).
- 2.4 The bulk of the Component supports a technical assistance package that will: train local actors in disaster prevention and risk management; evaluate local risks in a technically rigorous process that includes broad local participation; and produce local plans for safeguarding the population and their economic and social assets. In the process, the Component will help municipalities to *legally establish or consolidate their environmental commissions and units*, as required by the new environmental law (Law 64-00), and will ensure that risk management is incorporated into their responsibilities. Model municipal ordinances for establishing an environmental unit with risk management responsibilities, was produced for La Vega under 1152/OC-DR. The component will also finance the implementation of initial activities identified in these

⁵ The eight municipalities selected are Salvaleón de Higüey, San Pedro de Macorís, Santiago, Nagua, La Vega, Azua, Pedernales, and San José de Ocoa.

local plans (selection of community-level mitigation measures), as well as the basic equipment for emergency preparedness in all 8 municipalities.

- 2.5 The local institutional and community actors that will make up the to-be-created ***municipal environmental and risk management commissions***⁶ will receive ***training*** that spans the conceptual and practical foundations of risk management. Specifically, the training includes 5 modules, which span: (i) the conceptual basics on risk and disasters, (ii) practical considerations for risk evaluations; (iii) social actors in local risk generation and management, including inter-institutional organization for risk management; (iv) planning and instruments for reducing existing risk (mitigation measures), preventing the generation of new risks, and effective response in case of a disaster; and (v) training community trainers.
- 2.6 In conjunction with the training module on risk evaluations, ***local hazard and vulnerability maps, with disaster scenarios and the zoning of risk areas*** for the municipality will be produced with the participation of the municipal environmental management units, local commissions and broader community. Based on existing information and community perceptions, these maps and texts will reflect likely disaster scenarios the municipality faces, and are a primary analytical tool for the commissions to develop ***a municipal action plan for risk management***. In conjunction with the training module on planning and instruments for risk management, the commission will receive support in the preparation of the municipal action plan. The plan, which will include proposals for risk reduction interventions and a local emergency response plan, will also prioritize actions and draft project profiles.
- 2.7 The municipal government will also be introduced to ***a system for accessing information to support their risk and emergency management*** activities. Each municipal environmental management unit will receive an inventory of the risk-related information available for their municipality. They will be equipped with the computer hardware and software necessary to connect the municipality to the National Service of Environmental Information (SNIA), as well as the training for accessing and interpreting the available information.
- 2.8 The present component will finance local mitigation projects identified in the eight municipal action plans for risk management. These will be on a grant basis as a pilot exercise in implementation and supervision. This component will also finance ***the design of a manual that encapsulates the rules for accessing the mitigation funds***, the procedures for the preparation, implementation and supervision of such projects, and the promotion activities for the use of these funds. This operating scheme, which will be piloted, beginning with La Vega and subsequently with the other municipalities that have completed their action plan, lays the operational groundwork for the National Disaster Prevention, Mitigation and Response Fund specified in the draft risk management law. This will be the first time a national fund oriented towards prevention and mitigation will be tested in the country. A ***public awareness campaign*** will be financed in the 8 participating municipalities. The materials, including videos, radios shorts, and

⁶ The commissions will include representatives from relevant public entities (national, provincial and municipal), community organizations, NGOS, the private sector.

pamphlets prepared for a national campaign under the previous IDB-financed program 1152/OC-DR, will be adapted for the municipal level. The campaign will be developed and carried out utilizing materials, experiences, and actors available at the municipal level. Finally, all 8 municipalities will also go through an exercise of evaluating preparedness needs and identifying and financing *basic materials and equipment needed for responding to emergencies*.

C. Component II: Risk management in education (US\$0.49 million)

2.9 This Component will support the implementation of a subset of the Secretary of Education's "National Formal Education Plan for Risk Reduction and Response to Emergencies and Disasters," whose broad goal is to change the perception and behavior of the population by promoting risk reduction in Dominican culture. The objective of the present activities is twofold: to help safeguard education infrastructure from disasters, and to prepare students and their communities to reduce the risk, when possible, and to better deal with disasters when they occur.

2.10 The component will finance the *development of model guidelines and prototypes for safeguarding schools from disasters*, including siting guidelines, prototype designs for hazard-resistant schools (new construction and retrofitting), maintenance requirements, as well as model designs for schools that must also provide emergency shelter services in an emergency. The Under-Secretary of School Infrastructure will encapsulate these guidelines and specifications within a *risk management chapter* that will form part of the National Education (10-Year) Plan, which will guide new investments in construction and maintenance of education infrastructure.

2.11 This component will finance minor adjustments, as well as the reproduction and delivery of the Teaching Guide ("*Guía didáctica: apoyo al docente*"), which provides material and strategies for educating students about disasters, risk reduction and management, and preparation for a disaster. 5,000 teachers will be trained in the use of the Guide and will incorporate this material within the natural and social science curriculum of the initial, basic and intermediate levels as well as adult education curriculum.

2.12 This component will also *strengthen emergency/disaster preparedness in 540 primary schools* in the 8 municipalities participating in Component 1. School committees, with their respective brigades, will be set up. The committee members will receive training in the evaluation of their hazards, the preparation of a school emergency plan and the conduct of drills, the stamp album (*Ponte Alerta!*) and will be equipped with fire extinguishers, and basic emergency first aid kits and materials, with training in their use.

2.13 The regional and district education offices (*Direcciones Regionales*), which coordinate the Secretary of Education's Plan for Risk Reduction and Response to Emergencies and Disasters, will monitor the execution of the teacher training and schoolroom activities.

D. Component III: Policy leadership and administration of the Risk Management Plan (US\$1.645 million)

2.14 This Component will permit the UE-PMR/STP and the Technical Secretariat of the Presidency to: (i) assume their coordination and execution responsibilities for the present operation; (ii) monitor the implementation and performance of the risk management policy and national plan; and (iii) promote the economic and social development of the

country in a way that contributes to reducing risk. This component will finance the contracting of a minimal technical team for the UE-PMR/STP, as well as the technical studies and instruments to support the strengthening of the countries' capacity to oversee and promote risk management into the future.

- 2.15 This Component will finance the development and implementation of two policy-oriented activities, including the development of work plans, consultant services, and the basic office materials to execute them. The first set of activities – ***Overseeing and Promoting Risk Management*** – will establish a management information program to monitor: (i) the execution of most important actions promoted by the National Risk Management Plan, which the present operation supports; and (ii) basic information indicative of the risk situation and its management throughout the country and economy (risk conditions, mitigation investments, and institutional capacity for risk management). The UE-PMR/STP will be equipped with a simple framework for the identification and collection of relevant information to complete these tasks. A software program (SIRE, Information System for Risks and Emergencies) will be adapted to provide the platform for organizing and reporting information to meet the requirements for policy oversight. Using this information framework, the UE-PMR/STP will issue semi-annual reports on the state of the risk management in the Dominican Republic. Risk management institutions, municipal governments and the general public will have access to these reports and information through the National System of Environmental Information, SNIA.
- 2.16 This component will finance a technical director for the SNIA for one year in SEMARENA, who will initiate the consolidation of the information system, with special emphasis in tying risk management requirements. Specifically, he will be responsible for: (i) supporting the connection of the UE-PMR/STP's management information system with SNIA; and (ii) ensuring that the national SNIA agencies make relevant information available to the municipalities and agencies participating in local risk management. Finally, the overseeing and promoting risk management activities will finance additional technical work (studies, workshops) that the UE-PMR/STP may require in order to participate in the evolving policy debates, and to promote the implementation of the National Risk Management Plan.
- 2.17 The second policy-oriented activity financed by this component is a series of technical studies and policy workshops to support the country's economic authorities in the evaluation and definition of a ***sustainable financing strategy for the national risk management system and plan***. Such a financing strategy will cover the costs of the basic and optimal operation of the national risk management system (institutions and programs), the investments to reduce potential losses to a manageable level (public and private), and the policy and financing instruments necessary to cover eventual losses (emergency and reconstruction).
- 2.18 The studies will: (i) evaluate the roles and responsibilities of the institutions that make up the national risk management system, contemplated in the draft risk management law, in order to estimate the cost of their basic operation; (ii) estimate the scale of probable losses that the country faces, including who bears the risk and financing responsibility (geographic locations, public/private assets and obligations, economic and social sectors), and the impacts on national budget and macro-economic performance; and (iii) develop

mitigation scenarios that will provide national economic decision-makers with information about sectors with high returns on risk-reduction investments, acceptable/manageable levels of risk, and economic and social trade-offs. In this context, the studies will also evaluate the viability of a national fund for prevention, mitigation and response to disasters.

- 2.19 The Technical Secretariat of the President (STP) and the economic authorities will participate in the policy workshops where the results of the studies will be presented, and will review options for a sustainable financing strategy.

E. Cost and financing

- 2.20 The total cost of the operation is US\$6.661 million, of which US\$5.0 million will be financed with the Bank’s Ordinary Capital (OC), US\$1.661 million with local counterpart from the Government of the Dominican Republic. GTZ is preparing parallel financing of US\$150,000 for risk evaluation for Santiago and the technical review of evaluation methodologies. Notwithstanding that the Executing Agency has not complied with the conditions prior for first disbursement, the Bank may disburse up to US\$300,000 to allow the initiation of program activities, when the Executing Agency is in compliance with the general conditions established in Article 4.01 of the General Conditions of the loan contract. The breakdown of the program cost is outlined in Table 2.1.

Table 2.1

COSTS OF THE PROGRAM (US\$000)				
COMPONENTS AND ACTIVITIES	IDB	LOCAL	TOTAL	%
1. LOCAL DISASTER PREVENTION AND RISK MANAGEMENT	3,245	810	4,055	61%
1.1. Coordinator for Component in UE-PMR/STP	96	24	120	
1.2. Municipal risk management training and institutional strengthening	818	204	1,022	
1.3. Risk evaluations*	630	158	788	
1.4. Local information system for risk mgt.	80	20	100	
1.5. Pilot community-level mitigation	825	205	1030	
1.6. Popular awareness campaign	260	65	325	
1.7. Basic equipment emergency response	520	130	650	
1.8. Operating manual for mitigation funding	16	4	20	
2. RISK MANAGEMENT IN THE EDUCATION	392	98	490	7%
2.1. Safe school infrastructure strategy in National Education Plan	32	8	40	
2.2. Teaching Guide and training	32	8	40	
2.3. Emergency preparedness in schools	328	82	410	
3. POLICY LEADERSHIP AND ADMINISTRATION OF NATIONAL RISK MANAGEMENT PLAN	985	660	1,645	25%
3.1 Personnel and Administration	440	520	960	
• Technical Team UE-PMR/STP	275	68		
• Meetings and Training	30	8		
• Short-term consultants	55	11		
• Administrative team and operating costs	0	413		
• Evaluation and financial audit	80	20		
3.2. Overseeing & Promoting Risk Management Policy	250	65	315	
3.3. Financing strategy for national risk management system and plan	295	75	370	
SUBTOTAL	4,622	1,568	6,190	93%
4. CONTINGENCIES	24.3	60.3	84.6	
5. FINANCING COSTS	353.7	32.7	386.4	
5.1. Interest	303.7		303.7	
5.2. Credit Commission		32.7	32.7	
5.3. Inspection and monitoring	50		50	
TOTAL	5,000	1,661	6,661	100%
Percentage by source of funds	75%	25%	100%	

* GTZ donation will provide parallel financing of US\$150,000 for local risk evaluations.

III. PROGRAM EXECUTION

A. Principles of Program execution

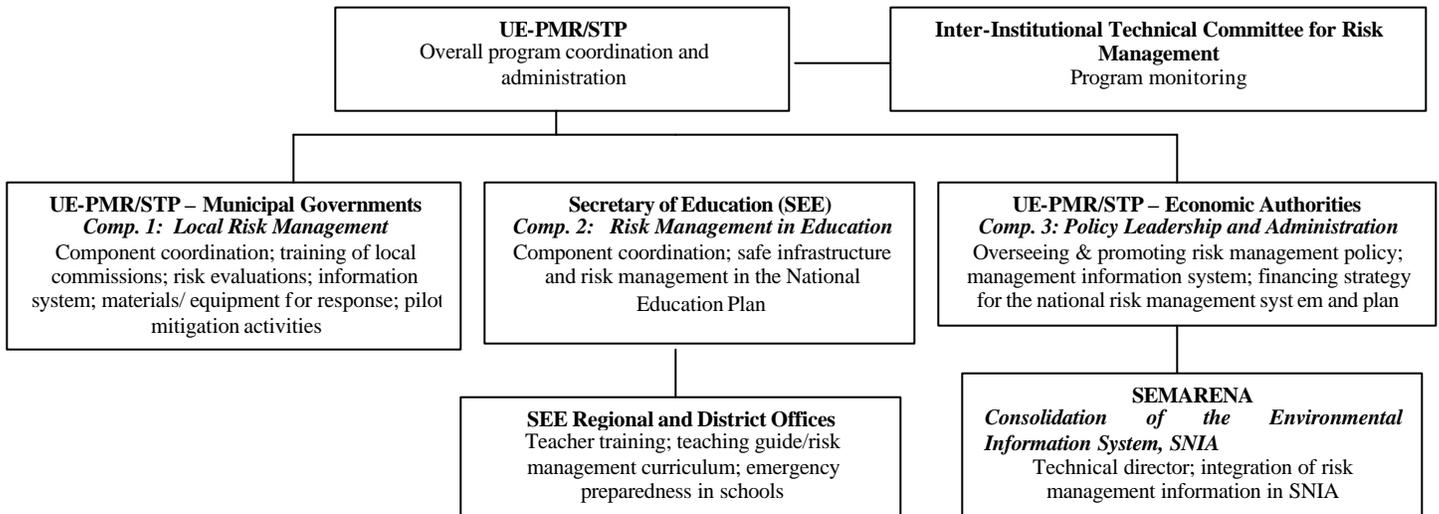
- 3.1 The execution of the present operation will be supported by three primary principles:
- a. Strengthen coordination of risk management activities, through improved policy management (information and monitoring) of the STP.
 - b. Strengthen the education sector's responsibility and capacity for execution of risk management, through disbursements of resources directly to the Secretary of Education, as co-executing agency.
 - c. Strengthen municipal risk management, through training of local actors and involving them in evaluating the risks in their jurisdictions and in setting priorities for risk reduction.

B. Institutional framework: Program execution and administration

- 3.2 The Borrower is the Government of the Dominican Republic. **The executing agency** for the present operation is the Technical Secretariat of the Presidency, through its executing unit (UE-PMR/STP). For the last two years, this unit has successfully led the execution of the prevention program financed by 1152/OC-DR. The UE-PMR/STP will be responsible for coordinating the execution and supervision of the entire program, supported by co-executors for specific components and activities, the coordination with the STP and the Inter-Institutional Technical Committee for oversight, providing financial control and accounting, and for consolidating and reporting information to the Bank.
- 3.3 The UE-PMR/STP will be a small, agile unit of technical personnel. It will have an Executive Coordinator who will have the overall responsibility for the operation, a principal coordinator for the local risk management component and another coordinator supporting the education and policy components. A financial specialist will be responsible for the financial reporting. The UE-PMR/STP will also have resources to contract short-term consultants to assist in technical support for program execution. The Executing Agency has ratified that it has contracted the Executive Coordinator and the Financial Specialist for the UE-PMR/STP. The coordinator for the local risk management component must be hired as a condition precedent to the first disbursement of Component 1.
- 3.4 **The Project Operational Rules** will set out the duties and responsibilities related to the present operation of the UE-PMR/STP, the participating municipalities, the SEE, SEMARENA, and the Inter-Institutional Technical Committee for Risk Management. The Operational Rules, which will be based on the program execution described in the present document and will be agreed upon with the Bank, will enter into force prior to the first disbursement. The draft operational rules were agreed upon during the project negotiations, before the operation was submitted to the President for approval.
- 3.5 **The co-executors** will be the Secretary of Education (SEE), through its administrative and technical office for the School Security Program, SEMARENA, and the eight

municipal governments participating in the local prevention and risk management component (see figure 3.1). The UE-PMR/STP will sign an inter-agency agreement with at least one of the mayors and the SEE as a condition precedent to first disbursement for components one and two. The agreements will include at the minimum the following terms: (i) the responsibilities of the co-executors, including the designation of a coordinator or unit as the counterpart for the UE-PMR/STP, and the participation in and execution of specified activities. In the case of the Secretary of Education, the responsibilities will also include the opening of a separate account and accounting of the component’s resources, and the transfer of any counterpart resources to this account; (ii) the responsibilities of the UE-PMR/STP; (iii) the conditions under which the UE-PMR/STP will transfer financial resources; (iv) procurement according to requirements of the Program and the Bank; and (v) the reporting requirements, including project execution information and maintaining accounting records.

Figure 3.1 Program Execution and Administration



C. Program initiation

3.6 The UE will contract the executive coordinator and the coordinators for the project components. The Secretary of Education will name a responsible official for the execution of the education component. Each component coordinator will prepare an operational plan with the objectives, a financing plan for the period, and a calendar of contracts and procurement. The UE-PMR/STP will consolidate the plans for each component and the progress reports to be presented to the Bank.

3.7 **Inter-institutional coordination** The Inter-Institutional Technical Committee for Risk Management will monitor the execution of the entire operation. They will participate in the initiation workshop and in the mid-term reviews of the operation’s progress.

D. Component 1: Local disaster prevention and risk management

3.8 The UE-PMR/STP (principal coordinator for this component), together with the eight participating municipalities, will be responsible for the execution of the Local Risk Management Component. A cooperative agreement with each participating municipality

will be signed with the UE-PMR/STP, which outlines the activities, estimated calendar, and responsibilities of the municipality and the UE-PMR/STP.

- 3.9 To facilitate quality, ensure consistency, and the timely delivery of services, the UE-PMR/STP will be responsible for contracting all technical assistance services and investments to be delivered to the municipalities, while the execution and supervision of these services will be decentralized in the municipalities. The contracting will be done in four functional areas: (i) training and institutionalization of risk management at local level; (ii) comprehensive local risk evaluations; (iii) setting up functioning risk information system; and (iv) community-level mitigation measures and the purchase of basic emergency preparedness materials.
- 3.10 A local program coordinator will be placed in each of the eight municipalities. These local coordinators will be responsible for organizing and training local stakeholders in risk management using the model training program developed under 1152/OC-DR. They will also provide technical guidance to the municipal authorities in the establishment of their environmental and risk management commissions and units. Within their respective municipalities, the local consultant will also be responsible for coordinating the implementation of the other services contracted by the UE-PMR/STP – the risk evaluations, information systems, and preparedness investments. Each step will be coordinated closely with the local stakeholders group and municipal authority.
- 3.11 The UE-PMR/STP will contract one or more consultants—with international expertise in risk management and municipal level experience—who will train the local coordinators and support them in their tasks, as needed. The UE-PMR/STP, who has ultimate responsibility in managing/supervision of these technical services, will provide quarterly progress reports to the Bank.
- 3.12 The UE-PMR/STP will contract the services for public awareness campaigns in the participating municipalities, with terms of reference approved by the Bank. The UE-PMR/STP will supervise the execution of these local campaigns and will carryout an initial assessment of their results.
- 3.13 The UE-PMR/STP will finance select mitigation activities identified in the municipal action plans, which will be executed using the draft operating procedures to be developed by the UE-PMR/STP and approved by the Bank. The municipal environmental and risk management commission and unit, which are expected to have been legally established by the municipality, will support the UE-PMR/STP in the supervision of the execution of the mitigation activities.

E. Component 2: Risk management in education

- 3.14 The Secretary of Education (SEE) will name the responsible official for the execution of the component from their School Safety Program (*Programa de Seguridad Escolar para Casos de Emergencias y Desastres*). He will be responsible for coordinating the component activities within the SEE and with the UE-PMR/STP. This designated official will present an operational plan to the UE-PMR/STP with the objectives, a financing plan for the period, and a calendar of contracts and procurement. The inter-

agency agreement for the execution of this component will include the elements of this operational plan. The SEE designate will provide quarterly progress reports to the UE-PMR/STP, who will oversee the inter-agency agreement and consolidate the reporting to the Bank.

- 3.15 In close consultation with the Under-Secretary of School Infrastructure, the SEE national coordinator will manage the contracting of the development of model guidelines and prototypes for safeguarding school infrastructure from disasters. The UE-PMR/STP will be responsible for the procurement of these services, in accordance with Bank policy, and the SEE designated official will manage technical quality of the products. The Sub-Secretary of School Infrastructure will review, approve and encapsulate these into the National Education (10-year) Plan, which will guide new investments in construction and maintenance of education infrastructure
- 3.16 In close consultation with the Under-Secretary of School Infrastructure and utilizing the UE-PMR/STP contracting facilities, the SEE principle coordinator will manage the contracting of the development of model guidelines and prototypes for safeguarding school infrastructure from disasters. The Under-Secretary of School Infrastructure will review, approve and encapsulate these into the National Education (10-year) Plan, which will guide new investments in construction and maintenance of education infrastructure.
- 3.17 With administrative support from the SEE principal coordinator, the technical staff of the participating regional and district education offices (SEE's *Direcciones*)⁷ will be responsible for introducing the Teaching Guide to 5,000 schoolteachers. These technical staff of SEE's *Direcciones* will organize and conduct the training sessions where the teachers will receive the Teaching Guide and be oriented in its use, including exercises for incorporating risk management into the multi-disciplinary curricula. These training sessions build on the SEE's work to date, having developed and tested the Teaching Guide under 1152/OC-RD.
- 3.18 For the school-based preparedness activities (*Programa de Seguridad Escolar*), the SEE designated official will contract the reproduction of the didactic material (stamp album) and the purchase of the first aid kits. The technical staff of SEE's *Dirrecciones* will work directly with teachers and students in the schools to prepare emergency plans, conduct drills, and to use the first aid kits and didactic materials in class work.

F. Component 3: Policy leadership and administration of the risk management plan

- 3.19 To execute the “overseeing and promoting risk management” activities, the UE-PMR/STP will first contract consulting services to develop the technical framework for information management and reporting. In parallel, the UE-PMR/STP may sign a memorandum of understanding with the authorities of the city of Bogotá to provide services at cost for the adaptation of the SIRE software for the policy oversight

⁷ They are responsible for coordinating the implementation of the SEE's Formal Education Plan for Risk Reduction and Response to Emergencies and Disasters. All of these regional and district offices participated in the updating of the School Safety Plan and received training, last year.

requirements and training in its use⁸. The two parties would sign the agreement, subject to prior approval of the Bank. By month 12, the UE-PMR/STP will have issued the first semi-annual report on the state of risk management in the Dominican Report. SEMARENA will orient the UE-PMR/STP, who will be responsible for contracting the technical director of the SNIA in accordance with Bank procedures.

- 3.20 The UE-PMR/STP and the participating economic authorities will form an ad hoc working group to participate in the execution of the activities related to the development of a sustainable financing strategy for the national risk management system and plan. They will participate in the development of the terms of reference acceptable to the Bank (draft terms of reference are in the project files) together with a calendar and work plan. The members of the working group will participate in the policy workshops in which the study results will be presented, and will review options for a sustainable financing strategy. Because the studies and dialogue necessary to evaluate and define a sustainable financing strategy is a technically sophisticated exercise, the UE-PMR/STP will contract a technical consultant to assist them in the preparation of the terms of reference and in supervising the execution of the studies and workshops. The draft terms of reference for this technical consultant for the UE-PMR/STP have been agreed with the Bank. .
- 3.21 The UE will have three technical staff to undertake the coordination and execution of the present operation, including the executive coordinator, a coordinator for the local risk management component (see description under component 1), and a coordinator for the coordination of components two and three. In addition, the UE-PMR/STP will have access to short-term technical consultants to assist in the execution of particular activities, as needed. Administrative staff will include an office manager and a financial specialist to support the contracting and financial reporting. This component will also finance the necessary secretarial and logistics support for the 24 months.

G. Rotating fund and disbursement schedule

- 3.22 It is recommended that a revolving fund be established for an amount equal to 5 percent of the loan.

H. Contacting and procurement of works, goods and services

- 3.23 Procurement of goods and contracting of consulting services will be governed by the Bank's standard procurement procedures. International competitive bidding (ICB) will be used to procure consulting services in excess of US\$200,000 or goods in excess of US\$350,00. Works in excess of US\$1.0 million will not be contracted. For goods and consulting services under the amounts requiring ICB, the applicable Bank procedures and the following public competitive bidding procedures will apply. There will be no direct contracting.

⁸ An third party evaluation of SIRE recommended the software for the national policy unit in the Dominican Republic, and confirmed its technical viability for incorporation into the national environmental information system, SNIA. SIRE is currently in full operation in Bogotá, Colombia, where it enables risk managers to organize and stipulate information needed for basic risk evaluation, mitigation and preparedness/response tasks.

Table III-1		
Contract/procurement	National Public Bidding	Private Competitive Bidding
Works	US\$100,000- US\$999,999	Less than US\$100,000
Goods and services	US\$50,000-US\$350,000	Less than US\$50,000
Consulting services	US\$75,000– 199,999	Less than US\$75,000

I. Project monitoring and oversight during execution

- 3.24 **Kick-off workshop.** A workshop to kick-off the activities will take place within the first 6 weeks from eligibility in order to go over the basic execution arrangements, the activities for the various co-executors, as well as to review the project’s execution matrix. The eight municipalities and the Secretary of Education will participate, as will the other members of the Inter-Institutional Technical Committee and the National Emergency Commission. At the same time, the UE-PMR/STP will receive training on the use of the Bank’s management monitoring system (*sistema de seguimiento gerencial*). The UE-PMR/STP will submit the initial report establishing the work plan for the first year.
- 3.25 **Management monitoring system.** To ensure accurate and timely supervision during project execution, this operation will adopt the management monitoring system that has been successfully tested by the Representation during the execution of loan 1152/OC-DR. The system provides for summary reporting, using uniform formats, of progress on the agreed indicators for activities, outputs and outcomes in the operation’s log frame and execution matrices. Base-line values for performance indicators will be produced through targeted surveys at the start of the execution, as specified in the log-frame. Quarterly reports will be issued to the various supervisory levels responsible for the project (the executive coordinator of the UE-PMR/STP and the IDB Representation). The reports are structured to clearly compare the accomplishments with the programmed activities, in both financial and physical terms, and include the means to identify problems and to correct them with the implementing agents (consulting firms, component coordinators, local program coordinators, among others). Thus, the management monitoring system allows a close monitoring of the goals, calendar, process, and the financial execution and check with the budget. It is also an excellent tool for keeping up to date the Bank’s PPMR for the project.
- 3.26 **Annual reports and meetings.** The Inter-Institutional Technical Committee will meet periodically to review jointly with the UE-PMR/STP the execution of the program. The UE-PMR/STP will prepare consolidated annual progress reports (months 12 and 20) on the execution of the program for the Bank, detailing the execution of each component, the compliance with the activities in the execution matrix, and incorporating the results of the monitoring reviews by members of the Inter-Institutional Technical Committee and others, such as the National Emergency Commission. The UE-PMR/STP will invite the Bank and these participating agencies to the presentation of the progress reports, no later than one month after presenting the consolidated annual progress reports, to evaluate any necessary adjustments to the Program and execution scheme. For the first of these meetings, the UE-PMR/STP will also prepare the work plan for the second year. For the second of these meetings, the UE-PMR/STP and the Bank will agree on the Terms of

Reference for the final evaluation of the project, which in addition to evaluating the project's performance will evaluate the country's readiness to initiate a larger program of public investments in risk reduction.

- 3.27 **Disbursements and Accounting.** The UE-PMR/STP will be responsible for: (i) preparing and submitting to the Bank the disbursement requests and justification of advanced funds; (ii) maintaining adequate financial, accounting records of the Program that is in accordance with Clause 7.01 of the loan contract general conditions; (iii) preparing and submitting to the Bank the audited financial reports including a semi-annual report on the status of the revolving fund; (iv) maintaining specific and separate commercial bank accounts for the management of the Bank's financing and local counterpart funds; and (v) maintaining an adequate disbursements supporting documentation filing system for eligible project expenditures. The co-executing agencies will also be responsible for: (i) maintaining specific commercial bank accounts for the management of the Program funds; (ii) maintaining adequate financial, accounting records and filing systems; and (iii) submitting the corresponding justification of expenditures made to the UE-PMR/STP and preparing the requested financial information.
- 3.27 **External Audits.** The UE-PMR/STP shall present to the Bank annual audited financial statements of the Program within one hundred-twenty (120) days of the end of each fiscal year. Also, semi-annual audit reports shall be presented to the Bank within sixty (60) days after the end of each semester. The audit reports will be prepared in accordance with terms of reference previously approved by the Bank. The audit works will be carried out under the Bank's external audit requirements by a private audit firm acceptable to the Bank and selected under the Bank's bidding procedures (Document AF-200). The audit costs will be financed by the Bank's financing and local counterpart.

IV. FEASIBILITY, BENEFITS AND RISKS

A. Institutional feasibility

- 4.1 The institutional structure for the execution of the present program in 24 months is feasible for the following reasons. First, for the last two years the UE-PMR/STP has successfully led the execution of the prevention program financed by loan 1152/OC-DR, and has a proven track record in multi-agency coordination, resource management, and compliance with Bank procedures. The primary co-executing agency, the Secretary of Education, has a strategic plan for risk reduction in education and also has successfully executed various activities under 1152/OC-DR. Second, both the UE-PMR/STP and the Secretary of Education have developed instruments and methodologies (such as, training modules, model municipal ordinances and agreements, public awareness materials, teacher guides) that will be utilized in the present operation, ensuring a rapid initiation of activities. Finally, the program will have two important administrative tools in place before first disbursement, including the project's operational rules and the interagency agreements signed with participating entities. These, together with the tested management monitoring system in operation, will ensure that the institutional structure is adequate to meet the challenges of implementing this program.

B. Environmental and social impact

- 4.2 The present operation will have no negative environmental impacts due to the nature of the operation. It will reinforce environmental management capacity within the country, by helping to establish and consolidate municipal environmental management units as specified in the new environmental law (Law 64-00), and contributing local risk evaluations, local risk reduction plans and specific measures in the eight municipalities. The mitigation measures to be financed will be subject to environmental review, but are also likely to have a positive environmental effect. Moreover, they are expected to be non-structural measures and modest works.
- 4.3 On the social side, the challenge for the present operation is to adequately engage the participation of the local communities and women, in particular, in the program activities. The local consultants coordinating the local risk management activities in each municipality will target promotional activities to pre-identified local stakeholders. This outreach methodology was successfully used in community training programs and the pilot project in La Vega (1152/OC-DR), where they had good results in garnering participation from neighborhood organizations, environmental associations, industry, and women in the local commissions and the risk evaluations. The draft model municipal ordinance that this operation will use to promote the establishment and consolidation of the municipal environmental and risk management units and commissions clearly specifies this desired membership. The public awareness campaigns and the school level activities will maintain the visibility of these activities, and the UE-PMR/STP coordinators will monitor this participation throughout the development and implementation of the municipal mitigation plans and projects.

C. Benefits

- 4.4 The principal benefits of this operation are two. Firstly, municipal authorities and local actors will gain experience in assuming their risk management responsibilities, as laid out in the national risk management policy and plan. At the completion of the program, municipalities will have trained environmental management units, risk evaluations for their localities, as well as a set of mitigation tools and pilot experiences upon which to build into the future. At the same time, the national policy authorities will have better information on risks, and experience to orient the design of a nationwide program for local risk management.
- 4.5 Secondly, the activities supporting policy leadership and administration of the risk plan will help to consolidate the country's transition from response and emergency-oriented policies, to ex-ante policies to reduce vulnerability and manage risk. Specifically, the program will help the Government to generate and monitor key information regarding potential impacts of disasters and the country's ability to manage it. Together with the strategy for financing developed under this operation, this information will prepare the country to make decisions to promote sustainable risk management in the near future. This will put the Dominican Republic on the forefront of national risk management in the hemisphere.
- 4.6 The principal risks to the operation are related to the actors at the local level. Firstly, municipal authorities, which have limited experience in prevention and mitigation at this stage, may be slow to effectively participate in the risk management activities. The start-up of Component 1 is geared to motivate the municipal authorities and establish a close working relationship for the execution. The UE-PMR/STP and the municipal authorities will sign an agreement specifying all of the activities to be developed in the municipality. The local program coordinators will be permanently placed in the municipalities where they will promote and organize closely the activities with local participants. As the institutional development activities – training and establishment of municipal units and commissions – get under way, local leadership should follow. The promise of financing for pilot mitigation activities is designed to stimulate the process of evaluating local risks and prioritizing actions to manage them.
- 4.7 Also at the municipal level, there is the related risk that the risk management efforts will peter out at the conclusion of the operation. The present operation seeks to reduce this risk by delivering the institutional strengthening activities – training and establishing of the municipal environmental management units and commissions – within the framework of the national environmental law's mandate for the local level. Moreover, with the newly elected city administrations taking office in August, the program will have the benefit of stable political period during which these activities can develop with the local actors

LOGICAL FRAMEWORK

OBJECTIVES	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
<p>GOAL</p> <p>Contribute to improving the country's capacity to prevent and manage risks of disasters caused by natural hazards, and improving the institutional capacities to respond to the needs of the population.</p>	<p>8 selected municipalities, representative of the national context, have established and consolidated their municipal environmental commissions and Environmental Management Units, providing a tested model for promoting local risk management by the end of 2004.</p> <p>The country supervises and promotes a national program of risk management and economic authorities have issued a plan of action for adopting a sustainable financial strategy. Completed by the end of 2004.</p> <p>The country has developed specific guidelines for safeguarding schools and incorporated them into the National Education (10-year) Plan, and risk management curriculum and specific emergency preparedness measures are adopted by 540 primary schools in 8 municipalities by the end of 2004.</p>	<p>Quarterly reports from the management monitoring system, annual reports and final evaluation</p>	<p>Decentralization of risk management activities and better monitoring of the state of risk and performance of risk reduction measures will lead to improved country capacity to reduce and manage risk.</p> <p>For the Government, the program's scope of actions remain a priority within implementation of the National Risk Management Plan.</p>
<p>OBJECTIVES</p> <p>Support the initial stage of the Government's risk management policy to improve reduction and management of the risks of disasters.</p> <p>I. Local Disaster Prevention and Risk Management</p> <ol style="list-style-type: none"> 1. Enable 8 municipalities to better understand and manage their risk from natural hazards. 2. Provide the national authorities with a tested model for supporting local risk management throughout the country. 	<p>The principal tools for risk reduction – risk evaluation, risk reduction planning and project identification, and mitigation investments – are all adopted in each participant municipality by the end of 2004</p>	<p>Quarterly reports from the management monitoring system, annual reports, and final evaluation.</p>	<p>The municipalities are interested and actively participate in risk management activities.</p>
<p>RESULTS</p> <p>I. Local Disaster Prevention and Risk Management</p> <ol style="list-style-type: none"> 1. Increased technical and administrative capacity of governments and citizens in 8 municipalities to manage risks. 2. Improved awareness and understanding of risk and improved planning capacity in all 8 participating municipalities. 3. Improved safeguarding of population & community assets in 8 municipalities 	<ol style="list-style-type: none"> 1. Municipal ordinances adopted in all (8) participating municipalities and risk management training completed by June 2004. Operating manual used by UE-PMR/STP and the participating municipalities for accessing the pilot financing for local mitigation measures in operation by August of 2003. 2. The 8 municipal environmental management units equipped with basic information and decision-making system for risk management, with connection to SNIA. Local risk information and plans accessible on computer in all 8 participant municipalities by June 2004. Hazards, vulnerabilities, and community perceptions of risk reflected in the 	<p>Quarterly reports from the management monitoring system, annual reports, and final evaluation.</p> <p>Surveys completed in 8 municipalities tracking improvements in awareness benchmarks</p>	<p>Municipal governments are interested in knowing their risks, adopting risk management and establishing/strengthening municipal environmental management units and commissions.</p>

OBJECTIVES	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
	<p>local risk evaluations and scenarios in 8 municipalities (maps and texts). Completed by June of 2003.</p> <p>A public awareness campaign completed by June of 2004, with improvements in households' awareness of risk of disasters and the measures they can take to reduce potential losses and impacts.</p> <p>8 municipal action plans for risk management that identify priority mitigation investments completed with priority projects identified by August 2003.</p> <p>3. Basic emergency preparedness equipment in use in 8 participating municipalities by June 2004.</p> <p>Pilot community-level projects completed in 8 municipalities by August 2004.</p>		
<p>OBJECTIVES</p> <p>II. Risk Management in Education</p> <p>1. Help safeguard education infrastructure from disasters.</p> <p>2. Prepare students and their communities to reduce the risk, when possible, and to better deal with disasters when they occur.</p>	<p>1. Model guidelines for new school construction and location developed by the end of 2004.</p> <p>2. Elements of risk management curriculum are adopted in the classroom and school risk management committees are trained and equipped with emergency plans and kits in 540 schools of 8 participant municipalities by June of 2004.</p>	<p>Quarterly reports from the management monitoring system, annual reports, and final evaluation. Questionnaire of sample of teachers and students.</p>	<p>The Safe School Program (<i>Programa de Seguridad Escolar para Casos de Emergencias y Desastres</i>) continues to be a priority for the Secretary of Education.</p>
<p>RESULTS</p> <p>II. Risk Management in Education</p> <p>1. New investments in school infrastructure within the contemplated <i>National Education (10 Year) Plan</i> incorporate risk analysis to orient construction and location of schools.</p> <p>2. Students learning about disaster prevention and risk management in school.</p> <p>3. Improved preparation of children and teachers in case of emergency or disaster in the participating municipalities.</p>	<p>1. Agreed with Sub-Secretary of School Infrastructure: (i) model guidelines, including siting guidelines, model/prototype designs for hazard-resistant schools (new and retrofitting) and for schools to double as emergency shelters; and (ii) risk management chapter for the National Education (10-year) Plan. Completed by June 2004.</p> <p>2. 5,000 teachers trained in the use of Teaching Guide. Curriculums including risk management implemented in classroom at the basic and intermediate levels. Completed by June 2004.</p> <p>3. 540 schools with risk management committees, who have evaluated specific hazards and have prepared and tested the school emergency plan, and are equipped with first aid kits by June of 2004.</p>	<p>Quarterly reports from the management monitoring system, annual reports, and final evaluation.</p> <p>Report by the Secretary of Education on the use of the Teaching Guide in the classroom.</p>	<p>The Secretary of Education will approve the technical guidelines and risk management focus as part of the National Education (10-year) Plan.</p> <p>The Teachers and the technical staff of the participating regional and district education offices are willing to participate in these activities.</p>

OBJECTIVES	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
<p>OBJECTIVES III. Policy Leadership and Administration of the Risk Management Plan</p> <p>Permit the UE-PMR/STP and STP to:</p> <ol style="list-style-type: none"> 1. assume their coordination and execution responsibilities for the present operation; 2. monitor the implementation and performance of the risk management policy and national plan; and 3. promote the economic and social development of the country in a way that contributes to reducing risk. 	<ol style="list-style-type: none"> 1. Execution of present operation is deemed satisfactory in the Bank’s PPMR. 2. Monitoring framework developed, with information collected and “state of risk management” reports published semi-annually, by June 2004. 3. Annual workshops with members of the Inter-Institutional Technical Committee for Risk Management and other stakeholders to review implementation of the National Risk Management Plan and the state of risk management in national policies. The economic authorities have issued a plan of action for adopting a sustainable financing strategy for the national risk management system and plan by June of 2004. 	<p>Quarterly reports from the management monitoring system, annual reports, and final evaluation.</p>	<p>The Risk Management Policy and Plan continue to be priority for the Government.</p>
<p>RESULTS</p> <ol style="list-style-type: none"> 1. Effective monitoring of the implementation and performance of the risk management policy and the national plan. 2. The country’s national economic and social development policies better contribute to risk reduction. 3. Economic authorities understand the costs of operation of the Dominican national risk management system and alternative risk reduction prevention programs, sources and options for financing, as well as the fiscal and financial viability of the National Risk Management Fund. 	<ol style="list-style-type: none"> 1. Monitoring framework adopted by the UE-PMR/STP and information collected related to risk conditions, mitigation investment, and institutional capacity. Publication of semi-annual reports on the state of risk management in the Dominican Republic. The monitoring framework and information is integrated with the national system of environmental information, SNIA by June 2004. 2. Recommendations for social and economic sector strategies and plans for the reduction of vulnerabilities and risk management are issued by June 2004. 3. The economic authorities have issued a plan of action for adopting a sustainable financing strategy for the national risk management system and plan by June of 2004. 	<p>Publication of the semi-annual reports.</p> <p>Quarterly reports from the management monitoring system, annual reports, and final evaluation.</p>	<p>Government assumes effective leadership in the evolving policy debates and promotion of the national risk management plan.</p> <p>Government is willing to evaluate financing options to promote risk management.</p>

PROCUREMENT PLAN					
Principal Procurements	Source of Financing	Total Amount (US\$000)	Procurement Method	Pre Qualification	Estimated Date
COMPONENT I. LOCAL DISASTER PREVENTION AND RISK MANAGEMENT					
1 consulting services for component coordinator (24 months)	IDB/Local	US\$ 120,000	PCB	Yes	2002, 2003, 2004
8 individual consultants with average cost of \$84,000 (24 months)	IDB/Local	US\$ 672,000	PCB	Yes	2002, 2003, 2004
4 consulting services to prepare risk evaluations, with average cost of \$195,000	IDB/Local	US\$ 780,000	IPB	Yes	2003
1 consulting services to evaluate local information systems in 8 municipalities	IDB/Local	US\$ 20,000	PCB	Yes	2002, 2003
Information system software and 5 equipment for 8 municipalities, average cost of \$7,500	IDB/Local	US\$60,000	PCB	No	2003
1 consulting services for design and testing of operating manual	IDB/Local	US\$ 20,000	PCB	No	2003, 2004
2 consulting services for design and implementation of local public awareness campaigns, average cost of \$162, 000 for 4 municipalities	IDB/Local	US\$ 325,000	LPB	No	2003, 2004
1 consulting services for basic emergency preparedness, to prepare diagnostic and procurement plan	IDB/Local	US\$ 50,000	PCB	Yes	2002, 2003
Purchase of basic equipment and materials for emergency preparedness, average cost of \$75,000 per municipality (8)	IDB/Local	US\$ 600,000	LPB	Yes	2003, 2004
2 international consulting services for training in risk management and institutional strengthening	IDB/Local	US\$120,000	PCB	Yes	2002, 2003, 2004
COMPONENT II. RISK MANAGEMENT IN EDUCATION					
1 consulting services for model guidelines and prototypes	IDB/Local	US\$ 40,000	PCB	No	2003
Reproduction Teachers Guide & training teachers	IDB/Local	US\$ 40,000	PCB	Yes	2002
Reproduction of 60,000 stamp albums	IDB/Local	US\$ 30,000	PCB	Yes	2003
Purchase of school safety equipment for 540 schools, with average cost of \$ 330	IDB/Local	US\$ 180,000	PCB	Yes	2003, 2004
COMPONENT III. POLICY LEADERSHIP AND ADMINISTRATION OF RISK MANAGEMENT PLAN					
1 consulting services for Executive Coordinator (24 months)	IDB/Local	US\$ 145,000	PCB	Yes	2002, 2003, 2004
1 consulting services for Coordinator for components 2 and 3 (24 months)	IDB/Local	US\$ 120,000	PCB	Yes	2002, 2003, 2004
2 consulting services for development and execution of monitoring framework	IDB/Local	US\$ 90,000	PCB	Yes	2002, 2003,
1 consulting services for Technical director of SNIA (24 months)	IDB/Local	US\$ 96,000	PCB	Yes	2003
Consulting services for technical support to execution of sustainable financing strategy	IDB/Local	US\$ 30,000	PCB	Yes	2002, 2003, 2004
Consulting services for studies and workshops for sustainable financing strategy	IDB/Local	US\$ 340,000	IPB	Yes	2003, 2004
LPB – Local Public Bid IPB – International Public Bid PCB – Private Competitive Bid					