

CARIBBEAN DEVELOPMENT BANK



**RATIFICATION OF GRANT FROM THE INTER-AMERICAN DEVELOPMENT BANK
TO SUPPORT EMERGENCY RESPONSE EFFORTS IN ANTIGUA AND BARBUDA
TO HURRICANE IRMA (2017)**

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Board of Directors – Approval of a Paper Without a Meeting
April 9, 2018

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<i>Operations Officer (Environment)</i> <i>Environmental Sustainability Unit</i>	<i>Mr. Paul Saunders</i>

APRIL 2018

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CARIBBEAN DEVELOPMENT BANK

**BOARD OF DIRECTORS – APPROVAL OF A PAPER
WITHOUT A MEETING**

APRIL 9, 2018

PAPER BD 32/18

**RATIFICATION OF GRANT FROM THE INTER-AMERICAN DEVELOPMENT BANK
TO SUPPORT EMERGENCY RESPONSE EFFORTS IN ANTIGUA AND BARBUDA
TO HURRICANE IRMA (2017)**

1. BACKGROUND

1.01 The on-going 2017 Atlantic Hurricane season has been one of the most active seasons on record. It has been one of only six seasons to feature at least two Category 5 hurricanes (Hurricanes Irma and Maria); and it featured a Category 4 hurricane (Harvey) that set the record for the most rainfall ever in the United States (64.8 inches). Hurricane Irma originated as a tropical storm in the Atlantic Ocean near the Cabo Verde Islands. Tropical Storm Irma (TSI) formed on the morning of Wednesday, August 30, 2017 and was named the ninth storm of the 2017 Tropical Atlantic Hurricane Season. Within 24 hours TSI had intensified to a major category 3 Hurricane in the Eastern Atlantic Ocean, and by Tuesday September 5, had reached category 5 status. The centre of Hurricane Irma made landfall on Barbuda with sustained winds of 119 miles per hour (mph) and gusts of 150 mph. Barbuda was exposed to the eye wall's extraordinary winds for more than three hours. The observed sea level at Barbuda reached a peak of 2.2 metres (m) (7 feet.) at the time when the eye passed over the island, which resulted in flooding, extending some 600 m (0.4 miles) inland, in several areas. Storm surge in Antigua was not reported. Wave action however, likely contributed to significant coastal erosion.

1.02 The Caribbean Disaster Emergency Management Agency Situation Report of September 18, 2017, stated that Barbuda sustained extreme damage with 95 percent (%) of the built infrastructure severely damaged or destroyed. There was one fatality. The main emergency shelters- the Holy Trinity Primary School, the Sir Mc Chesney George Secondary School and the community centre sustained major damage. All aspects of the water supply system within the island of Barbuda were impacted, rendering the water supply system inoperable and the water unsafe for human consumption. Despite being only 63 kilometres (37 miles) from Barbuda, Antigua suffered significantly less damage and primarily to its secondary road network. The Government of Antigua and Barbuda (GOAB) declared a State of Emergency and Voluntary Evacuation Order for the island of Barbuda on September 6, which was then escalated to a Mandatory Evacuation Order on September 9.

1.03 The Caribbean Development Bank (CDB), by letter of September 25, 2017 to the Inter-American Development Bank (IDB), requested support on behalf of GOAB under IDB Special Programme/Non-Reimbursable Technical Cooperation for Emergency Assistance for countries affected by natural disasters.

1.04 IDB responded to the request, and, on January 17, 2017, the General Manager of the Caribbean Countries authorised two hundred thousand United States dollars (USD200,000) under the Non-Reimbursable Technical Cooperation Emergency Assistance to GOAB, in accordance with CDB's request, and submitted a Letter of Agreement in respect of the Technical Cooperation for countersignature by CDB (See Appendix 1 Emergency Assistance to OECS Countries affected by Hurricanes Irma and Maria).

2. **OBJECTIVE**

2.01 The Grant will be used to support GOAB's ongoing emergency relief and humanitarian assistance operations to the affected population.

3. **DESCRIPTION OF GRANT ACTIVITIES**

3.01 The Grant may be used to assist GOAB to finance the transport of relief supplies and personnel, the purchase of food supplies, potable water, equipment, shelter, medicine and other relief items.

4. **JUSTIFICATION**

4.01 Due to the severity of the hurricane's impact on Barbuda, the entire population had to be evacuated to Antigua. Most of the evacuated people are still housed in emergency shelters on Antigua. The Government has to provide temporary shelter, and educational facilities, while undertaking restoration of basic services and utilities on Barbuda. The scale of damage is such that GOAB will require significant external support to address the continuing humanitarian relief needs of the evacuated population. The project, will assist GOAB to undertake the provision of emergency relief and shelter management operations.

5. **COST AND FINANCING**

5.01 A budget outlining the breakdown and allocation of the USD200,000 requested is provided in Table 1 below.

TABLE 1: BUDGET ALLOCATIONS
(USD)

Item	Contributor	Amount (\$)
Provision of emergency relief supplies and equipment: food, potable water and shelter.	IDB	100,000
Transport of relief supplies and personnel.	IDB	100,000
Total		200,000

6. **IMPLEMENTATION ARRANGEMENTS**

6.01 The Ministry of Finance will be responsible for the execution of the Grant and will coordinate arrangements with the National Office of Disaster Services to procure and deliver relief supplies. They will also prepare and submit the required reports to CDB on completion of the activity. The execution period will be six months effective from date of disbursement. There will be a single disbursement of the resources to GOAB.

7. **PROCUREMENT**

7.01 Procurement will be in accordance with CDB's Guidelines for Procurement 2006. The Procurement Plan will be finalised on the receipt of further details from GOAB.

8. **RECOMMENDATION**

8.01 It is recommended that the Board of Directors:

- (a) ratify the Letter of Agreement for Non-Reimbursable Technical Cooperation for Emergency Assistance for Antigua and Barbuda affected by Hurricane Irma between IDB and CDB, (Letter Agreement) countersigned by CDB on February 2, 2018, a copy of which is attached to this Paper as Appendix 1; and
- (b) approve the provision by CDB of the resources of the Letter Agreement to GOAB on a non-reimbursable basis (the Grant), on CDB's standard terms and conditions and on the terms and conditions set out in Appendix 2.

SUPPORTING DOCUMENTATION:

- Appendix 1 - Letter of Agreement: Non-Reimbursable Technical Cooperation for Emergency Assistance for Antigua and Barbuda affected by Hurricanes Irma and Maria dated January 17, 2018
- Appendix 2 - Terms and Conditions



REGISTRATION NUMBER-45923210-0084

January 17, 2018

Ms. Monica La
Vice-President (Caribbean Development)
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AGREED:



Monica La Bennett
Vice-President (Operations)
Caribbean Development Bank

Date: 15/05/2018

ANNEX

REGIONAL

**TECHNICAL COOPERATION FOR EMERGENCY ASSISTANCE FOR NATURAL DISASTERS
PLAN OF OPERATIONS**

I. General Information

Country:	REGIONAL
TC Name:	Emergency Assistance to OECS Countries Affected by Hurricanes Irma and Maria
TC Numbers:	RG-T3130; RG-T3131
Team Leader/Members:	Michael Nelson (CCB/CBH), Team Leader; Francisco Javier Urra (CCB/CBA), Alternate Team Leader; Juan Carlos de la Hoz (CCB/CBA); Maria Florencia Attademo-Hirt (CCB/CBH); Hori Tsuneki (CSD/RND); Chitralkha Deopersad (CSD/RND); Camille Davis-Thompson (CCB/CBH); Maria Camila Padilla (FMP/CBA); Mario Vinicio Rodriguez Pineda (FMP/CBA) and Betina Hennig (LEG/SGO).
Date of Request:	September 25, 2017
Beneficiaries:	Caribbean Development Bank and populations in the Commonwealth of Dominica, and Antigua & Barbuda affected by high winds and floods.
Executing Agency:	Caribbean Development Bank (CDB)
IDB Funding Requested (Amount and Source of Funding):	RG-T3130: US\$200,000 – Ordinary Capital Strategic Development Program for Sustainability (SUS) RG-T3131: US\$200,000 – Ordinary Capital Strategic Development Program for Sustainability (SUS)
Local counterpart funding, if any:	US\$0
Disbursement period (which includes Execution period):	6 months
Prepared by Unit:	CCB/CBH
Unit of Disbursement Responsibility:	CCB/CBA

II. Background

2.1 The Bank provides emergency financial assistance to developing member countries when natural disasters have occurred and the scope and the intensity of the disaster are such that the country requires supplementary resources to recover promptly and adequately from its effects. On January 27, 1977, the Inter-American Development Bank (IDB) Charter was amended to allow it to provide financial resources to finance any of the members of the Caribbean Development Bank (CDB) by providing loans and technical assistance to that institution. In addition, on September 28, 1977,

Puerto Rico, Dominican Republic, Turks and Caicos, and The Bahamas. Maria has been measured as the tenth most intense Atlantic hurricane on record with the lowest pressure this year. Sustained winds reached 175 mph (280 km/h) and its central pressure sunk to at 908 mbar (hPa; 26.85 inHg). Due to this intensity, as of September 22, 2017, Maria has claimed the lives of 37 people in the Caribbean.

- 2.6 **Dominica** has suffered the greatest loss of life, and is likely to have experienced the greatest relative losses among the affected islands. Fifteen people have died, and twenty people are missing in Dominica, the first island hit by Hurricane Maria. Initial CDEMA reports of the damage in Dominica reveal that amidst extensive flooding in the capital, Roseau, both the hospital and a community center have lost rooves, and power and telecommunications are still inoperative.⁴ In some towns, up to 95% of the rooves have been blown off. As of September 21, 2017, contact with nine communities have still yet to be established.⁵ CDEMA has listed tarpaulins, cases of water, and clearing of roadways among the most immediate humanitarian needs for Dominicans.
- 2.7 Given the extent of the damage caused by the storm, the immediacy and magnitude of the required humanitarian response, the constrained capabilities from local authorities in these two countries, rapid response in the aftermath of these hurricanes Irma and Maria will be critical to alleviating suffering and addressing needs.

III. State of Emergency Declaration

- 3.1 Due to the impact caused by Hurricane Irma, the Government of Antigua & Barbuda issued a written State of Emergency and Voluntary Evacuation Order for the island of Barbuda on September 6, 2017. The next day, due to preparations for Hurricane Jose, the Government then ordered a Mandatory Evacuation for Barbuda.
- 3.2 As a result of the subsequent impact of Hurricane Maria, the Prime Minister of the Commonwealth of Dominica declared the whole island to be in a state of emergency on September 20, 2017.

IV. Request for Bank Assistance

- 4.1 On September 25, 2017, on behalf of the Governments of Antigua and Barbuda and the Commonwealth of Dominica, the Caribbean Development Bank formally requested the Bank's emergency assistance for humanitarian relief to mitigate the impact of the Hurricanes Irma and Maria, respectively, on the affected populations of both countries.

V. Objectives

- 5.1 The purpose of the emergency assistance is to support the Commonwealth of Dominica, as well as Antigua and Barbuda, through the Caribbean Development Bank, in the implementation of humanitarian assistance actions to provide the required relief to the affected populations in these hard hit nations as a result of the passage of hurricanes Irma and Maria.

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IX.

APPENDIX 2

TERMS AND CONDITIONS

(1) Disbursement:

- (a) Except as CDB may otherwise agree, disbursement of the Grant shall be made to GOAB in one payment following receipt by CDB of a request in writing from GOAB for such funds.
- (b) Except as CDB may otherwise agree the Grant shall be fully disbursed by August 2, 2018.
- (c) GOAB shall certify that expenditures financed by CDB have not been financed by any other donor.

(2) Procurement:

- (a) Procurement shall be in accordance with the procedures set out and/or referred to in the Grant Agreement or such other procedures as CDB may from time to time specify in writing.

(3) Other Conditions:

- (a) The Project shall be implemented by the National Office of Disaster Services in the Ministry of Finance of GOAB.
- (b) GOAB shall furnish to CDB a report on the Project, its achievements, progress and results within sixty (60) days of the final disbursement of the Grant and it must be accompanied by supporting documentation.