

PUBLIC DISCLOSURE AUTHORISED

CARIBBEAN DEVELOPMENT BANK



**AFRICAN CARIBBEAN PACIFIC-EUROPEAN UNION NATURAL DISASTER RISK
MANAGEMENT IN CARIFORUM MEMBER COUNTRIES: CONTRIBUTION AGREEMENT
WITH THE EUROPEAN UNION - REGIONAL**

This Document is being made publicly available in accordance with the Bank's Information Disclosure Policy. The Bank does not accept responsibility for the accuracy or completeness of the Document.

Considered at the Two Hundred and Fifty-Ninth Meeting
of the Board of Directors held in Barbados on December 12, 2013

DECEMBER 2013

Any designation or demarcation of, or reference to, a particular territory or geographic area in this Document is not intended to imply any opinion or judgment on the part of the Bank as to the legal or other status of any territory or area or as to the delimitation of frontiers or boundaries.

FOR OFFICIAL USE ONLY

CARIBBEAN DEVELOPMENT BANK

TWO HUNDRED AND FIFTY-NINTH MEETING OF THE BOARD OF DIRECTORS

TO BE HELD IN BARBADOS

DECEMBER 12, 2013

PAPER BD 80/13

**AFRICAN CARIBBEAN PACIFIC-EUROPEAN UNION NATURAL DISASTER RISK
MANAGEMENT IN CARIFORUM MEMBER COUNTRIES: CONTRIBUTION AGREEMENT
WITH THE EUROPEAN UNION - REGIONAL**

1. BACKGROUND

1.01 On May 16, 2012, the Caribbean Disaster Emergency Management Agency (CDEMA) approached the Caribbean Development Bank (CDB) for assistance to collaborate in the development of a CDB-CDEMA detailed programme proposal (Action Fiche), for the consideration of the European Union-African Caribbean Pacific (EU-ACP) Natural Disaster Facility under the tenth European Development Fund (EDF) Cycle. Development of the Action Fiche is in support of capacity strengthening of regional organisations, CDB's Borrowing Member Countries (BMCs) and other Forum of the Caribbean Group of ACP (CARIFORUM) States¹.

1.02 The President approved use of Special Fund Resources (SFR) in an amount not exceeding the equivalent of forty-one thousand, one hundred and ninety-five United States dollars (USD41,195) to meet the cost of consultancy services required to develop the Action Fiche for the purpose of soliciting regional grant assistance from the EU-ACP Natural Disaster Facility. Notification of the President's approval of the Use of Funds was provided in Paper BD 76/12, presented at the Two Hundred and Fifty-First Meeting of the Board of Directors held on July 18, 2012.

1.03 In the process of developing the Action Fiche CDB and CDEMA recognised that the Dominican Republic was not a member country of either institution and consequently discussions regarding the participation of the Dominican Republic was held with its Department of Cooperation and Regional Integration to address this issue. It was agreed by CDB, CDEMA and the Department of Cooperation and Regional Integration that the Dominican Republic would benefit from the proposed Programme through actions to be contracted by its National Authorising Officer (NAO). With the knowledge of all proponent parties i.e. CDEMA, CDB, Department of Cooperation and Regional Integration for the Dominican Republic, Delegation of the European Union to Barbados and the Eastern Caribbean, and the CARIFORUM Secretariat, the Action Fiche² was submitted in time to meet the March 19, 2013 deadline of the EU Quality Support Group (QSG) in Brussels. The QSG is the EU entity tasked with reviewing the Action Fiche. The QSG reviewed the Action Fiche submission on April 25, 2013 and subsequently circulated the Action Fiche to a second stage EU Inter-Service consultation review. At that time the outcome and three key result areas of the proposed regional programme and prospective implementation

¹ For the purposes of the proposed programme, beneficiary CARIFORUM states are: Antigua and Barbuda, Barbados, Belize, Dominica, Grenada, Guyana, Haiti, Jamaica, Suriname, Trinidad & Tobago, Saint Kitts & Nevis, Saint Lucia, Saint Vincent & the Grenadines, Bahamas, and the Dominican Republic.

² Details of the Regional Action Fiche as reviewed by the EU Quality Support Group (Brussels) are provided in Appendix 1.

modalities as identified by all proponent parties, were mutually agreed. On October 22, 2013 CDB received a communication from the Ambassador of the EU Delegation (Barbados and the Eastern Caribbean), confirming that a decision for financing of the proposed programme had been taken, and requesting a first draft of a potential EU-CDB contribution agreement.

2. DESCRIPTION OF ACP-EU NATURAL DISASTER RISK MANAGEMENT IN THE CARIFORUM PROGRAMME

Impact and Outcomes

2.01 The impact envisaged from successful Programme implementation is reduced vulnerability to long-term impacts of natural hazards, including the potential impacts of climate change, thereby achieving regional and national sustainable development and poverty reduction goals in CARIFORUM Countries.

2.02 The expected outcome is strengthened regional, national, sector and community level capacities for mitigation, preparedness, management and coordinated response to natural hazards and the effects of climate change.

Expected Results and Main Activities

(a) Result 1 - Capacity of National Disaster Offices (NDOs) and CDEMA's Coordinating Unit Strengthened for Implementation of Comprehensive Disaster Management (CDM)³

Activities under this result will:

- (i) Strengthen capacities of NDOs and other relevant national agencies in the implementation of regional and national CDM Strategies and in prioritised technical areas;
- (ii) Strengthen CDEMA Coordinating Unit's capacities, as the main coordinating body for CDM in the region.

(b) Result 2 - National, Local and Regional Resilience through Strengthened Early Warning, National Risk Profiling and Community-based Disaster Risk Reduction (DRR) and Climate Change Adaptation (CCA)

Activities under this result will:

- (i) Strengthen community/local-level capacity for resilience in CARIFORUM countries to the challenges posed by natural hazards and climate events in a number of identified and prioritised areas;
- (ii) Improve institutional capacities at regional⁴ and national levels for early warning and data analysis, modelling and development of practical applications⁵;

³ It is expected that a direct grant will be awarded by the European Commission to CDEMA for the delivery of Result 1.

⁴ For regionally mandated organisations only.

⁵ This may include addressing the meteorological and disaster management office interface.

(c) Result 3 - Sector Resilience Strengthened in Key Public Sectors, through DRR and CCA Mainstreaming

Activities under this result will:

- (i) Remove barriers and create opportunities for mainstreaming DRR and CCA in the public sector, particularly, at the level of Ministries of Finance, Planning and Economic Affairs.
- (ii) Improve integration of DRR and CCA considerations into planning and decision-making frameworks at national and sub national levels in selected CARIFORUM countries;
- (iii) Make critical infrastructure in the transportation and water sectors in CARIFORUM countries more resilient to natural hazards and better prepared for climate change and climate variability.

2.03 One of the key design advantages of this Programme is that it has been developed to be flexible and responsive to specific and priority disaster risk management (DRM) work-programme needs of the participant states, based on the iteration of their own gaps, challenges and priorities and with a view to complementarities of other on-going initiatives. In addition, in order to achieve a high level of alignment with other development partners involved in DRM/DRR and CCA in the Region, most of the funds to implement activities will be channelled through existing mechanisms established by CDB and CDEMA and will seek to build upon recent progress made, as these are already financed by multiple donors. Efforts will be made during programme implementation to: identify gender risks and gaps in programming; promote the continued empowerment of women, men, girls and boys; and ensure gender balance. An indicative Logical Framework, including detailed activities and objective verifiable indicators (OVI), is presented in Annex 1 to Appendix 2, Page 12.

Proposal

2.04 It is proposed that CDB enter into a Contribution Agreement with the EU for an amount not exceeding the United States dollar equivalent of twelve million, two hundred and ninety-four thousand, three hundred Euros (€12,294,300) to implement Result areas 2 and 3 under the ACP-EU Natural Disaster Risk Management (NDRM) in the CARIFORUM Programme across CDB's BMCs over the period 2014 to 2018.

CDB Implementation Modalities

2.05 Result 2 will be delivered via and using:

- (a) the processes and procedures as set out in Section 4 of the Bank's Disaster Management Strategy and Operational Guidelines 2009 (DiMSOG) for proposals relating to pro-active assistance for DRR and CCA; and
- (b) the processes and procedures of the Bank's Community Disaster Risk Reduction Fund (CDRRF). CDRRF is a CDB-managed six-year, \$24 million (mn) programme, with contributions of: \$20 mn from the Government of Canada, \$3.5 mn from the Government of the United Kingdom, \$0.5 mn from CDB and cash and in-kind contributions from participating countries. The programme is responsive and competitive, with communities

submitting project proposals. It is designed to reduce the severity of natural hazards and disaster risks and climate change impacts through demonstration projects at the community level.

2.06 Result 3 will be delivered through:

- (a) the normal work-programme of the Bank using current Project Cycle Management procedures.

Structure and Operations

2.07 In order to implement the overall ACP-EU NDRM in the CARIFORUM Programme, a Financing Agreement will be concluded between the European Commission and the Secretary General of the ACP Group of States (Authorising Officer of the Intra-ACP funds), referred to in Article 17 of Annex IV to the Cotonou Agreement.

2.08 The Programme will then be partially devolved to:

- (a) the EU Delegation to Barbados and the Eastern Caribbean for implementation supervision of the entire Programme (Results 1-3), and contractual management for communication, visibility, monitoring, evaluation, audit, and contingencies); and
- (b) the EU Delegation to Dominican Republic for contract supervision under the Dominican Republic's component).

2.09 With respect to the authority devolved to the EU Delegation to Barbados and the Eastern Caribbean identified at 2.08 (a) above, it is expected that:

- (a) For the implementation of the activities under Result 1, a direct grant will be awarded by the European Commission, to CDEMA.
- (b) For implementation of the activities under Results 2 and 3, a Contribution Agreement will be signed between the European Commission and CDB. A copy of the proposed Contribution Agreement is attached as Appendix 2. The foreseen implementation period of the Contribution Agreement will be 60 months, as from the signature of the contracting parties.

Indicative Budget

2.10 The indicative budget of the overall ACP-EU NDRM in the CARIFORUM programme is summarised as follows:

Results/Components of the Programme	Management Mode	Total Estimated Costs EDF Costs (EUR)	EU Contribution (US\$) ⁶
Result 1	Centralised direct (CDEMA)	4,470,000	6,034,500
Result 2	Joint Management (CDB)*	12,294,300	16,597,305
Result 3			
Dominican Republic Component	Decentralised partial (DR NAO)	2,200,000	2,970,000
Communication and Visibility	EU Delegation to Barbados and the Eastern Caribbean	285,700	385,695
Monitoring, Evaluation and Audit		300,000	405,000
Contingencies**		450,000	607,500
TOTAL		20,000,000	27,000,000
*The maximum fixed percentage of direct eligible costs is applied (7%) given the specificities of the Region such as the number of countries covered by the action and the geographical dispersion and/or access to the most disaster prone areas.			
**The EU contribution to "Contingencies" can only be mobilised by the European Commission.			

2.11 The indicative allocation of the Programme's resources to be implemented by CDB is summarised as follows:

Implementation Modalities	Project Result/Component	Allocations	EU Contribution (EUR)	EU Contribution in US\$ ⁷ (approx.)
Joint Management (Contribution Agreement with CDB)	<u>Result 2</u> Improved National and Regional Resilience through Strengthened Early Warning, National Risk Profiling and Community-based DRR	DiMSOG	3,000,000	4,050,000
		CDRRF	1,590,000	2,146,500
	<u>Result 3</u> Sector Resilience Strengthened in Key Sectors	Sectoral Resilience	4,800,000	6,480,000
		Knowledge, Attitude, Practice Study (KAP)	600,000	810,000
	Project Management/CDB's Administration Costs	Operating costs (including staff)	1,500,000	2,025,000
		7% Indirect costs	804,300	1,085,805
		Total	12,294,300	16,597,305

⁶ Conversion rate €1 = US\$1.35 (November 13, 2013)

⁷ Conversion rate €1 = US\$1.35 (November 13, 2013)

Administration

2.12 It is proposed that CDB will assume the project management responsibility for delivering its sub-programme results contribution to the overall ACP-EU Natural Disaster Management in the CARIFORUM Programme and establish internal technical and financial monitoring systems to facilitate this. CDB will monitor and evaluate the performance of projects/activities and will provide narrative and financial reporting to the European Commission. This will be undertaken in accordance with the Bank's standards and procedures consistent with its standing as an International Organisation and in compliance with the terms and conditions of the European Commission-CDB Contribution Agreement.

2.13 CDB will be responsible for: contract management, launching calls for tenders and for proposals; definition of eligibility, selection and award criteria; evaluation of tenders and proposals; award of grants, contracts and financial instruments; acting as contracting authority concluding and managing contracts, carrying out payments, in accordance with the terms and conditions of the European Commission-CDB Contribution Agreement.

2.14 Project management and administration costs (inclusive of staff) may need to be revised should the Programme's duration extend beyond the 60 months period of implementation. The schedule for implementation is detailed at

Governance

2.15 A Programme Steering Committee (PSC) chaired by CARIFORUM, will be set-up to advise and provide overall strategic direction of the ACP-EU NDRM in the CARIFORUM Programme and will be responsible for reviewing progress and achievements, reports and work programmes. The PSC will actively seek and support coordination and ensure complementarities with on-going actions and existing strategies. It will safeguard against duplication with other activities financed either by the EU and/or other donors. Final governance arrangements will be agreed by the PSC.

2.16 The ACP Group is represented through the CARIFORUM. However, the ACP Secretariat's Assistant Secretary General, responsible for the 10th EDF Intra-ACP funds for DRR, will be invited to participate in the PSC in order to ensure the coherence with the implementation of the other components of the intra-ACP envelope for DRR, i.e. Africa and the Pacific.

2.17 CARIFORUM, CDB, CDEMA, Department of Cooperation and Regional Integration for the Dominican Republic and the EU Delegations to Barbados and the Eastern Caribbean and to the Dominican Republic will form the core PSC of the ACP-EU NDRM in the CARIFORUM Programme.

2.18 The PSC will meet in-person once per year and once virtually, through video conference, and/or on an ad hoc basis whenever necessary. Final governance arrangements will be agreed by the Steering Committee at early stages of the Programme. Other Development Partner agencies may also be invited to participate on the PSC with observer status, on a selected, or on a rotational basis, at the discretion of the core PSC, to ensure complementarities and synergies with projects they are managing. CDEMA will function as the Secretariat of the PSC.

2.19 Overall monitoring of the entire ACP-EU NDRM in the CARIFORUM Programme implementation will be a responsibility of CDEMA Coordinating Unit, working in close coordination with the remaining implementing partners, i.e. CDB and the NAO of the Dominican Republic.

2.20 Each component of the ACP-EU NDRM in the CARIFORUM Programme will be monitored in accordance with standard EU monitoring procedures. Key indicators will be defined to measure performance. Performance will be assessed against the targets set out in the OVI. The latter, sources of verification and assumptions will be further streamlined during the Inception Phase for the entire intervention logic to allow for an effective monitoring of the complete Programme implementation.

2.21 As an ACP-EU NDRM in the CARIFORUM implementing partner, CDB will provide information on its sub-programme performance through CDEMA as Secretariat of the PSC, whenever requested by the following authorities: CARIFORUM, the ACP Secretariat and the European Commission. External consultants may be recruited to support the process. Regular briefs to the European Commission and the ACP Committee of Ambassadors on the progress of this Programme shall be provided through CDEMA as the PSC's Secretariat.

2.22 Apart from this, external mid-term review to be contracted by the European Commission through the Project's life cycle, are proposed to independently evaluate progress and effectiveness. The latter may also launch Results Oriented Monitoring (ROM) exercises as convenient using the Programme's respective budget heading. Independent consultants recruited directly by the Commission on specific terms of reference will carry out external monitoring missions as needed.

3. **PROCUREMENT**

3.01 Procurement shall be in accordance with CDB's Guidelines for the Selection and Engagement of Consultants by Recipients of CDB Financing and CDB's Guidelines for Procurement, except that, a waiver of the aforementioned Guidelines is sought to extend country eligibility with respect to the procurement of goods, works and services to:

- (a) EU Member Countries which are not CDB Member Countries; and
- (b) the Dominican Republic, being a CARIFORUM Member Country, but not a CDB Member Country.

4. **RECOMMENDATION**

4.01 It is recommended that the Board of Directors approve:

- (a) CDB entering into an agreement with the EU, substantially in the form set out in Appendix 2 hereto with respect to the administration and execution by CDB of a contribution from the EU of an amount not exceeding the equivalent of twelve million, two hundred and ninety-four thousand, three hundred Euros (€12,294,300) (the Contribution) for the CDB executed sub-programme of the ACP-EU NDRM in the CARIFORUM Programme; and
- (b) the provision by CDB of the resources of the Contribution to eligible beneficiaries on a non-reimbursable basis for the purposes set out in paragraphs 2.02 (b) and (c) above, on CDB's standard terms and conditions and on such terms and conditions as management may consider necessary, after consultation with the EU, to give effect to the arrangements contemplated herein.

**ACTION FICHE FOR ACP-EU NATURAL DISASTER RISK
MANAGEMENT IN THE CARIFORUM**

1. IDENTIFICATION

Title/Number	ACP-EU NDRM in the CARIFORUM Beneficiary Countries: Antigua and Barbuda, Barbados, Belize, Dominica, Grenada, Guyana, Haiti, Jamaica, Republic of Suriname, Republic of Trinidad and Tobago, Saint Christopher (St. Kitts) and Nevis, Saint Lucia, St. Vincent and the Grenadines, The Bahamas, The Dominican Republic. CRIS Number FED/2012/024-192		
Total Cost	Total amount of European Development Fund (EDF) contribution: \$20 mn (0.74% of Intra-ACP Multi Annual Indicative Programme).		
Aid method/Method of Implementation	Stand alone project approach – centralised direct, decentralised partial with the Dominican Republic and joint management with the Caribbean Development Bank.		
DAC-Code	74010	Sector	Disaster Prevention and Preparedness

2. RATIONALE

Sector Context

2.01 The ACP States (CARIFORUM) comprises small states with developing economies prone to natural hazards. Both hydro meteorological and climate related hazards, such as hurricanes, wind storms or floods, as well as geological hazards, such as earthquakes or volcanic eruptions are recurrent in the Region. In these small states, single catastrophic events can have a disproportionate negative effect on both the national and regional economies¹, also due to the interaction of a number of driving forces (in intensity and frequency) such as climate change, environmental degradation, demographic pressure, unplanned urban growth, trans-boundary nature of natural hazards.

2.02 Such factors intensify the effects disasters have on people, in particular the poorest and most vulnerable, their assets and livelihoods and their ability to recover. Furthermore, they also strain the ability of the public sector in reconstruction efforts and lead to higher debt levels. Disaster mitigation and resilience, the focus of this Programme, is therefore a particularly relevant and important component of economic policy in the Region, in the attempt to reduce exposure of governments to divert substantial resources for relief operations, recovery and reconstruction.

2.03 Several initiatives, dating back to the 1980s, at both national and regional levels, have been designed to reduce vulnerability. These include the establishment of regional and national institutional and legislative frameworks as well as the development of programmes to address preparedness, response, mitigation, prevention and recovery.

¹ The economic and social losses following natural disasters in the Caribbean states are significant. According to the Centre for Research on Environmental Decisions (CRED) data base, around USD 1.5 billion are lost every year. With limited economic diversification and tourism and agriculture being two of the major foreign exchange earners for the Caribbean, natural disasters can mean devastation for local economies (source: European Commission's Humanitarian Implementation Plan (HIP)/DIPECHO for the Caribbean for 2013, 23/10/2012.

2.04 In 2001, the Caribbean Community (CARICOM), through broad based stakeholder consultations, adopted a strategy and results framework for CDM with the goal of integrating it into sustainable development decision-making and planning. This Strategy was revised in 2006, as a result of the need for greater emphasis on the reduction of disaster loss through better risk management.

2.05 The outcome of this revision process was the *Enhanced CDM Strategy and Programming Framework 2007-2012*², on the enhancement of regional sustainable development. This has been closely aligned to the global and regional agendas such as the Hyogo Framework for Action, CARICOM's Regional Programming³, the Caribbean Single Market and Economy and the St. George's Declaration of Principles for Environmental sustainability.

2.06 CDEMA has been particularly engaged in these efforts, namely with the development of the *Enhanced CDM Strategy and Programming Framework* (CDM) and in strengthening regional and national capacities. Also CDB has developed a strategic and proactive approach to DRM in order to avoid further cycles of vulnerability and better secure its investments in the Region. However addressing prevention, mitigation and preparedness to natural hazards has proven complex as it is still a slowly emerging issue in the policy agenda in the Region, in particular among Ministries of Finance and Planning, and in linking national action with community level needs and priorities.

2.07 This Programme is the Caribbean component of the 10th EDF Intra-ACP Cooperation Strategy (2008-2013), in which the ACP Group and the EU recognise the need to increase efforts with regard to *ex ante* DRR and CCA. It is also anchored in the EU's general and specific guidelines on disaster resilience. In this regard, it responds directly to the implementation priorities B (Regional Action Plans on DRR) and C (Integration of DRR into EU's External Action) of the *EU Strategy for Supporting DRR in Developing Countries – Implementation Plan*⁴ and 3 of the 5 priorities of the *Global Climate Change Alliance (GCCA)*⁵: adaptation to climate change, promotion of DRR and integration of climate change into poverty reduction efforts.

2.08 It also echoes the recommendations of the European Communication *EU Approach to Resilience: learning from food security crises*, in particular, on the following aspects: (i) anticipation of crises by assessing risks, (ii) focus on prevention and preparedness; and (iii) enhancement of crisis response.

Lessons Learnt

2.09 Since 2007, two projects funded under the 9th EDF have been implemented by the CDEMA. These are the *Institutional Support and Capacity Building for Disaster Management in the Caribbean Project*, and the Caribbean sub-regional component of the *ACP-EU Natural Disaster Facility* (NDF). This Programme thus builds upon progress made through these previous projects, in particular the NDF, as it is its natural continuation.

² Reference for the Region in the process of extension, beyond 2012. The next programming cycle will seek to build on the national, sectoral and regional strengths, processes, partnerships, synergies and momentum gained thus far.

³ CDM is a building block in the Implementation Plan for the Regional Framework for Achieving Development Resilient to Climate Change.

⁴ COM (2009) 84 final and SEC (2011) 215 final, respectively.

⁵ COM (2007) 540 final.

2.10 Recent reports emanating from a ROM exercise conducted for this Caribbean component of the NDF (managed by CDEMA) and from other development partners also supporting DRM in the Region have highlighted several strengths and weaknesses which have been taken into consideration in the design of this Programme, among which:

- (a) high relevance of the project and prospects of direct impact in contributing to enhancing the safety levels of the targeted populations;
- (b) highly participatory approach in project design, which in turns engendered a high level of ownership and buy-in;
- (c) dilution of control over implementation as a result of participation of a large number of partners and beneficiaries at the national and regional level;
- (c) responsiveness to national needs should be improved within the CDM framework;
- (d) clear synergies with the climate change agenda should be sought and interaction between CCA and DRR practitioners and policy makers should be actively supported;
- (e) need for a comprehensive Management Information System (MIS) within CDEMA; and
- (f) CDEMA and NDOs need to put more emphasis in capturing tangible results and high quality outputs should be applied and used.

2.11 This Programme also results from a wide stakeholder consultation survey started in November 2012 (at the request of the CARIFORUM), which further validated the issues identified in the above-mentioned ROM. This Programme will also address the gaps and priorities as identified through these initiatives. Furthermore, the baselines provided for by CDEMA's DRM Audit⁶, and by the 2010 EU-financed study, "Technical Assistance to a study on the current actions and initiatives in the field of civil protection in the Caribbean in order to promote, enhance and reinforce the regional cooperation mechanisms", have been taken into consideration, in particular in identifying capacities, needs and gaps of DRM in the Region.

2.12 Finally, this Programme will contribute to filling in the gaps between humanitarian and other development interventions, acknowledging CDEMA's key role in the Region, as well as by serving as an anchor initiative that could further leverage coordinated DRR efforts in the Region, in particular by mainstreaming it at the level of Ministries of Finance, Planning and Economic Development. The role expected from CDB will be instrumental in this regard.

Complementary Actions

2.13 The Programme complements current national and Regional EDF envelopes, on-going Intra-ACP programmes from the 9th and 10th EDF, the DG ECHO's DRR Programme (DIPECHO) for 2013, as well as activities supported by other donors including CDB, the Canadian International Development Agency (CIDA), the Australian Agency for International Development (AusAID), the United Kingdom's Department for International Development (DFID), the United Nations Development Programme (UNDP) and the United States Agency for International Development (USAID).

⁶ Assesses CDEMA's participant countries in their capacity for CDM in the areas of: administration and finance, institutional capacity, preparedness and response, mitigation and research, education, information and training.

2.14 CDEMA has a number of on-going initiatives that complement this Programme, among which are the aforementioned *ACP-EU Natural Disaster Facility* (NDF with EUR1.8 million (mn)) and the “CDM Harmonised Implementation Programme” (HIP Phase I, with USD14.8 mn, supported by CIDA, AusAID, DFID and CDEMA’s participant states). Activities envisioned under this Programme, and as requested by CARIFORUM’s members, have been developed with a view to carrying on HIP’s activities when the latter ends (December 2014). CDEMA also supports *CARICOM’s Regional Climate Change Strategy and Implementation Action Plan* (also supported by the EU and CDB), which includes a significant component on DRR, that this Programme will be aligned with.

2.15 CDB, on the other hand has identified support to DDR and CCA among its 2010-2015 strategic objectives. As such, this Programme has also been designed to complement its operations in the Region, through: (i) the *Community Disaster Risk Reduction Fund* (CDRRF), supported by CIDA and DFID, a multi-donor Trust Fund, focused on reducing vulnerability at the community/local level; and (ii) the *Climate Action Line of Credit*, which the CDB has received from the European Investment Bank (EIB), to address the severe vulnerability of CDB’s borrowing member countries to the effects of climate change.

2.16 The Programme will complement DIPECHO for the Caribbean Region (EUR8.5 mn for 2013, focused on community-based DRR). DIPECHO will prioritise its interventions on floods and hurricanes (all regions); exposure of densely populated urban areas (Cuba, Haiti, Dominican Republic, Jamaica); earthquakes and tsunamis (Dominican Republic, Cuba, Jamaica Haiti and Eastern Caribbean); drought (Haiti, Eastern Caribbean and Cuba). DIPECHO will deliver through local DRM; institutional linkages and advocacy; information, education and communications; small scale infrastructure and services and stock building of emergency relief items and training.

2.17 The UNDP has implemented the *Overseas Countries and Territories (OCTs) Regional Risk Reduction Initiative*, ended in December 2012 (funded by the EU with EUR4.9 mn between 2008 and 2012). The project sought to address the risk and exposure of the English and Dutch Overseas Countries and Territories (OCTs) in the Caribbean by providing a network of regional infrastructure, programmes, policies and protocols to strengthen their capacity to predict and prepare for natural hazards. The project outcomes evaluation was only recently completed and the lessons learned and the recommendations from that evaluation will be useful when further implementing this Programme, in particular during its Inception Phase.

2.18 The EU-financed *Global Climate Change Alliance (GCCA)* also supports the Caribbean Community Climate Change Centre (CCCCC), which is funding improved climate monitoring, data retrieval and space-based tools for DRR, which includes the installation of an additional 106 hydro-meteorological stations and six Coral Reef Early Warning Stations (CREWS) in the Region. These outputs may be instrumental in relation to this Programme’s Result 2 and CDB will coordinate with the CCCCC in this regard.

2.19 Also the global GCCA’s lessons and experiences on mainstreaming CCA and DRR will inform this Programme, in particular through the training package it has developed for CCA. This can be revisited to fully take into account of DRR and propose an integrated mainstreaming approach to the two issues.

Coordination will be ensured in particular with two on-going EU-financed programmes:

- (a) 10th EDF Intra-ACP ACP-EU Natural Disaster Reduction Programme (EUR 60 mn), entrusted to the Global Facility for Disaster Reduction and Recovery (GFDRR). This programme has three main components that should build synergies with this programme, namely on its three main components (i) regional and sub-regional initiatives, (ii) technical assistance for DRR; and (iii) fast-track recovery instruments to support post-disaster needs assessments and technical assistance in building-back better; and
- (b) *Building Capacities for increased Public Investment in CCA and DRR 2012-2015* (EUR7.5 mn), entrusted to the United Nations Office for Disaster Risk Reduction (UNISDR). This project aims at building the capacity to account for disaster losses by developing national disaster loss databases, the capacity to assess and understand risks and build probabilistic country risk assessment models which provide for an overall picture of the main vulnerabilities and multi-hazard risk. In this regard, the Programme will benefit from the work already accomplished under this initiative and build synergies in all its components on risk assessment and modelling of future risks.

Donor Coordination

2.20 This EDF contribution is in line with the Paris Declaration on Aid Effectiveness, the Accra Agenda for Action, the EU Code of Conduct, the Busan Partnership for Effective Development Cooperation, and, the most recent framework for action and follow-up measures stemming from the Rio+20. The Programme will further enhance donor coordination between the EU, the ACP States and other bilateral and multilateral donors present in the Caribbean, namely: Germany, Italy, United Kingdom, Australia, United States of America, UNDP, International Federation of the Red Cross (IFRC) and the World Bank.

2.21 Donor coordination in DRM in the Caribbean⁷ occurs by way of information exchange for programming and implementation purposes through coordination mechanisms such as the CDM Coordination and Harmonisation Council or the Eastern Caribbean Development Partners Group on DRM and CCA, as well as through subscription to a joint work programme.

2.22 PSC, CDEMA's Coordinating Unit and CDB will facilitate donor and development partner coordination, through the existing regional mechanisms, including the CARIFORUM (therefore not excluding the Dominican Republic, which is not a member of CDEMA or CDB). Other donors may also be invited on a case-by-case basis as determined by the implementing partners in agreement with the EU Delegation to Barbados and the Eastern Caribbean.

3. **DESCRIPTION**

Objectives

3.01 The objective of the Programme is to reduce vulnerability to long-term impacts of natural hazards, including the potential impacts of climate change, thereby achieving regional and national sustainable development and poverty reduction goals in the CARIFORUM States.

⁷ The Coordination does not, as yet, extend to the Dutch Antilles and the Dominican Republic.

3.02 The purpose is to strengthen regional, national and community level capacities for mitigation, preparedness, management and coordinated response to natural hazards and the effects of climate change.

Expected Results and Main Activities

Result 1 - Capacity of NDOs and CDEMA's Coordinating Unit Strengthened for Implementation of CDM

Activities under this result will:

- (a) strengthen capacities of NDOs and other relevant national agencies in the implementation of regional and national CDM Strategies and in prioritised technical areas; and
- (b) strengthen CDEMA Coordinating Unit's capacities, as the main coordinating body for CDM in the Region.

Result 2 – National, local and Regional Resilience through Strengthened Early Warning National Risk Profiling and Community-based DRR and CCA

Activities under this result will:

- (a) strengthen community/local-level capacity for resilience in CARIFORUM countries to the challenges posed by natural hazards and climate events in a number of identified and prioritised areas; and
- (b) improve institutional capacities at regional⁸ and national levels for early warning and data analysis, modelling and practical application⁹;

Result 3 - Sector resilience strengthened in Key Public Policy Sectors, through DRR and CCA Mainstreaming

Activities under this result will:

- (a) remove barriers and create opportunities for mainstreaming DRR and CCA in the public sector, particularly, at the level of Ministries of Finance, Planning and Economic Affairs;
- (b) improve integration of DRR and CCA considerations into planning and decision-making frameworks at national and sub national levels in selected CARIFORUM countries; and
- (c) make critical infrastructure in the transportation and water sectors in CARIFORUM countries more resilient to natural hazards and better prepared for climate change and climate variability.

3.03 One of the key design advantages of this Programme is that it has been developed to be flexible and responsive to specific and priority DRM work programme needs of the participant states, based on the iteration of their own gaps, challenges and priorities and with a view to complementarities of other on-going initiatives. In addition, in order to achieve a high level of alignment with other development

⁸ For regionally mandated organisations only.

⁹ This may include addressing the meteorological and disaster management office interface.

partners involved in DRM/DRR and CCA in the Region, most of the funds to implement activities will be channelled through existing mechanisms established by the CDB and CDEMA and will seek to build upon recent progress made, as these are already financed by multiple donors.

An Indicative Logical Framework, including detailed activities and OVI, will be annexed to the Financing Agreement.

Risks and Assumptions

(a) The following risks are noted:

- (i) the impact of a disaster event on one or several CARIFORUM member states has the potential to delay or temporarily stop the implementation of the Programme activities within the affected countries and also in other related activities not directly affected. Implementing entities are thus expected to work with the relevant PSC, the EU and the ACP Group to ensure that the affected Programme components are resumed as quickly as possible;
- (ii) institutional and/or absorption capacity of community, national and regional authorities may be limited. Although the Programme aims to develop part of this capacity, its retention within the region is instrumental for long term success and sustainability;
- (iii) regional programming for community DRR and CCA is under-developed. There is a wide spectrum of potential development programming approaches that can be pursued to enhance community resilience to DRR and CCA. The body of regional experience in “defining” and “delivering” CDRR and CCA approaches is small; and
- (iv) overlap with actions financed by other donors and/or EU-funded projects and programmes. However, seeking donor coordination for community, country and regional implementation is an integral part of the proceedings of the PSC.

(b) The success of this Programme is based on the following assumptions:

- (i) at the national level, the key assumption is that the political buy-in demonstrated thus far by governments and sub-regional organisations in the recognition of the importance of DRR/CCA will be translated in the continued allocation of the required human and technical resources to participate in regional and in-country activities. In this regard, the engagement of appropriate agencies (regional and national) in the Programme’s implementation should ensure greater awareness and commitment by all political decision makers;
- (ii) moving from response and disaster management to risk management is a paradigm shift to be accomplished in the region. As such the assumption is that advocacy at regional and national level is continued and promoted by this

Programme, namely at the level of Ministries of Finance, Planning and Economic Affairs respectively, which should be involved from the early stages of the Programme;

- (iii) the timely, effective and efficient implementation of this intervention requires that the key stakeholders identified below are able to absorb the available resources in terms of their demand for technical assistance services, supplies, etc., offered by the Programme. The implementing agencies would thus need to commit to engage in a process of continuous dialogue and advocacy with national, sub-regional and regional stakeholders to ensure that the policy commitments are adhered to and financial commitments are realised;
- (iv) the expected results identified and the actions proposed for each will build on the results and experiences of the CDM and related interventions and will provide the opportunity to further mainstreaming CDM and CCA into national development and for scaling up national and community level experiences for disaster mitigation and CCA; and
- (v) the Dominican Republic's Component is further detailed during the Inception Phase and during the preparation of the Programme Estimates and that activities fall within the spirit of the expected objectives and result areas for the overall Programme.

Cross-Cutting Issues

3.04 The main cross cutting issues in this Programme are gender, environmental sustainability, and stakeholder participation, especially at the community level. The Programme's goals are consistent with the European Consensus on Development which places a strong emphasis on community participation and awareness, the implementation of nationally agreed upon action plans, strengthening good governance and links with Civil Society. Furthermore, the Programme's objectives will contribute to environmental sustainability of the CARIFORUM States through the provision of information on potential risk from natural hazards and the strict compliance with internationally agreed best practices on environment-friendly resilient infrastructure, equipment and livelihoods.

3.05 Gender is a cross-cutting theme in the priority areas of the CDM Strategy and Programming Framework. The CDM Monitoring, Evaluation and Reporting Framework, developed in 2010, includes indicators for the measurement of gender issues at the policy and operational level. At the level of the CDM CHC, a gender working group is being set up which will assume responsibility for the consideration of gender issues in disaster management. In addition, efforts will be made throughout Programme implementation to promote the continued empowerment of women, men, girls and boys, and to ensure gender balance.

Stakeholders

- (a) member states of CARIFORUM through: the NDOs (national and sub-regional focal points advising on and implementing strategies and activities at national level) and the line ministries of member states, in particular those of Finance and Planning (instrumental for improved cross-sector national advocacy, integration and effective and sustainable resource allocation for DRM and CCA) and those responsible for Climate Change issues;
- (b) communities impacted by meteorological, geological, climate related and other natural hazards in those Member States;
- (c) non-State actors including Non Governmental Organisations (NGOs), civil society and the private sector which operate at the community and sector levels in those Member States;
- (d) regional policymakers, such as the Council of CDEMA, CARICOM Institutions, such as the Council for Trade and Economic Development (COTED);
- (e) CDB;
- (f) regional specialist institutions like the Caribbean Meteorological Organisation and the Caribbean Institute for Meteorology and Hydrology, the University of the West Indies Disaster Risk Reduction Centre and Seismic Research Centre, the CCCCC as well as other technical regional institutions;
- (g) other ACP sub-regional organisations with a mandate on DRR that could benefit from lessons learned from this Programme, namely the members of the *ACP-EU Natural Disaster Facility*; and
- (h) development partners present in the Region.

4. IMPLEMENTATION ISSUES

Method of Implementation

4.01 In order to implement this action, it is foreseen to conclude a Financing Agreement with the Secretary General of the ACP Group of States (Authorising Officer of the Intra-ACP funds), referred to in Article 17 of Annex IV to the Cotonou Agreement.

4.02 The Programme will be partially devolved to the EU Delegation to Barbados and the Eastern Caribbean (to supervise the implementation of the entire Programme, in particular contracts under Results 1 to 3, and to manage the contracts for communication, visibility, monitoring, evaluation and audit, as well as contingencies) and partially to the EU Delegation to Dominican Republic (to supervise contracts under the Dominican Republic's component).

4.03 The following are the management modes per Result/Component:

Result 1: Centralised Direct Mode

4.04 A direct grant will be awarded to CDEMA. The objective of this direct award is to ensure implementation of the Result 1. The main fields of intervention will be regional coordination and capacity building.

4.05 Under the responsibility of the authorising officer by delegation, the recourse to an award of a grant without a call for proposals is justified because the beneficiary is in a legal or factual monopoly situation. CDEMA is the primary agency charged by the CARICOM with the responsibility for disaster management in the region. Under the CARICOM Treaty there are several institutions responsible for formulating policies and performing functions in relation to cooperation. A Minister of Government represents each Member State on each Institution. CDEMA is one of such full-fledged institutions of the CARICOM and the only one with a specific mandate on DRM.

4.06 The action will be fully financed by the EDF in accordance with Articles 109 of the Financial Regulation of the 10th EDF as it is essential for the action to be carried out. The essentiality of full funding will be justified by the responsible authorising officer in the award decision, in respect of the principles of equal treatment and sound financial management. Full financing is necessary for the implementation of the action as it is complementary to the efforts by other donors to support CDEMA in fulfilling its role in the implementation of the Caribbean CDM and to be able to deliver to its member-states accordingly.

4.07 CDEMA, the beneficiary, will be invited to submit a proposal, which will be assessed against essential and selection and award criteria. The selection criteria will be the financial and operational capacity of the applicant and the award criteria will be the relevance of the proposed action to the objectives of the Programme, design, effectiveness, feasibility, sustainability and cost-effectiveness of the action.

Results 2 and 3: Joint Management Mode

4.08 A part of this action with the objective of implementing the activities under Results 2 and 3 will be implemented in joint management with the Caribbean Development Bank (CDB). Therefore a standard Contribution Agreement will be signed between the European Commission and the CDB. This is justified because of CDB's comprehensive approach to Disaster Risk Management (DRM) and Climate Change Adaptation, to avoid further cycles of vulnerability and better secure its investments in the region, as well as its recognised expertise in responding to requests from its member countries for assistance with post-disaster rehabilitation.

4.09 Joint management with the CDB in accordance with Article 29 of the Financial Regulation of the 10th EDF is possible because the Programme is elaborated jointly between the CDB and the European Commission.

4.10 The CDB will be entrusted with budget-implementation tasks, such as contract-management cycle, following DEVCO's templates or approved derogations, notably: launching calls for tenders and for proposals; definition of eligibility, selection and award criteria; evaluation of tenders and proposals; award of grants, contracts and financial instruments; acting as contracting authority concluding and managing contracts, carrying out payments, recovering moneys due and cancelling debts that cannot be recovered. The definition of objectives and essential policy characteristics of the action entrusted is not a

budget-implementation task, but a prerogative of the Commission. The change of method of implementation constitutes a substantial change except where the Commission "re-centralises" or reduces the level of budget-implementation tasks previously entrusted to the international organisation.

Dominican Republic's Component: decentralised - partial management mode (with Programme Estimates) with partner country

4.11 The Dominican Republic is a member-state of the CARIFORUM and thus among the expected beneficiary countries of this Intra-ACP financed Programme. However, this partner country is not a member of CDEMA or of the CDB. To address this issue, it has been agreed by all the parties that the Dominican Republic would benefit from the Programme through actions to be contracted by its National Authorising Officer (NAO), in line with the programme's main objective and purpose. At the request of the CARIFORUM, €2,200,000,00 will thus be earmarked for this specific component.

4.12 As such, part of this action, with the objective of implementing the Dominican Republic's Component, will be implemented in partially decentralised management with the Dominican Republic National Authorising Officer in accordance with Articles 21 to 23 of the 10th EDF Financial Regulation 215/2008 according to the following modalities:

4.13 The partner country will act as the contracting authority for the procurement and grant procedures. The Commission will control *ex ante* all the procurement procedures except in cases where programme estimates are applied, under which the Commission applies *ex ante* control for procurement contracts > EUR 50,000 and may apply *ex post* for procurement contracts ≤ EUR 50,000.

4.14 Payments are executed by the Commission except in cases where programmes estimates are applied, under which payments are executed by the partner country for operating costs and contracts up to the ceilings indicated in the table below.

Works	Supplies	Services	Grants
< 300,000 EUR	< 300,000 EUR	< 300,000 EUR	≤ 100,000 EUR

4.15 The financial contribution covers the ordinary operating costs deriving from the programme estimates.

4.16 The change of method of implementation constitutes a substantial change except where the Commission "re-centralises" or reduces the level of budget-implementation tasks previously entrusted to the beneficiary partner country.

4.17 The EU Delegation to Dominican Republic will supervise the implementation of the respective contracts and liaise and coordinate with the EU Delegation to Barbados & Eastern Caribbean to ensure the alignment of this component with the overall Programme.

Governance and Responsibilities

4.18 A PSC chaired by CARIFORUM, will be set-up to advise and provide overall strategic direction of the Programme and will be responsible for reviewing progress and achievements, reports and work programmes. The PSC will actively seek and support coordination and ensure complementarities with on-going actions and existing strategies. It will safeguard against duplication with other activities financed either by the EU and/or other donors.

4.19 The ACP Group is represented through the CARIFORUM. However, the ACP Secretariat's Assistant Secretary General, responsible for the 10th EDF Intra-ACP funds for Disaster Risk Reduction, will be invited to participate in the PSC in order to ensure the coherence with the implementation of the other components of the intra-ACP envelope for DRR, i.e. Africa and the Pacific.

4.20 CARIFORUM, CDB, CDEMA and the EU Delegations to Barbados and the Eastern Caribbean and to the Dominican Republic (ECHO's office for the region may be mobilised by the EU Delegations whenever necessary) will form the PSC.

4.21 At the discretion of the PSC, the DFID's Office to the Caribbean, the UNISDR and the World Bank led GFDRR may also be invited to participate with observer status, to ensure complementarities and synergies with the projects managed by both partners on behalf of the EU in the region and to avoid any eventual overlaps. The CARICOM and OECS Secretariats may be invited to participate, with an observer status as well as other EU member states and CARIFORUM member states country representations, all with observer status and on a rotational basis or on any other modality decided by the PSC.

4.22 The PSC will meet in-person once per year and once virtually, through video-conference, and/or on an ad hoc basis whenever necessary. Final Governance Arrangements will be agreed by the Steering Committee at early stages of the Programme.

Procurement and Grant Award Procedures

4.23 Specific rules for the direct grant award to CDEMA: the essential selection and award criteria for the award of grants are laid down in the Practical Guide to contract procedures for EU external actions. They are established in accordance with the principles set out in Title VII 'Grants' of the Financial Regulation applicable to the 10th European Development Fund.

4.24 Specific rules on programme estimates under the Dominican Republic's Component: the programme estimates must respect the procedures and standard documents laid down by the Commission, in force at the time of the adoption of the programme estimates in question (i.e. the Practical Guide to procedures for programme estimates).

4.25 Specific rules for the contribution agreement with CDB: all contracts implementing the action are awarded and implemented in accordance with the procedures and standard documents laid down and published by the relevant International Organisation.

Budget and Calendar

4.26 The foreseen implementation period of the Financing Agreement will be 60 months, as from the signature of the Financing Agreement.

4.27 The total project cost is estimated at EUR20 mn, to be financed from the 10th EDF Intra-ACP Indicative Programme, in the framework of the revised ACP-EU Partnership Agreement.

4.28 The tentative breakdown of the budget is as follows:

Results/Components of the Programme	Management Mode	Total Estimated Costs EDF Costs (EUR €)
Result 1	Centralised direct (CDEMA)	4,470,000
Result 2	Joint Management (CDB)*	12,294,300
Result 3		
Dominican Republic Component	Decentralised partial (DR NAO)	2,200,000

Communication and Visibility	EU Delegation Barbados	285,700
Monitoring, Evaluation and Audit		300,000
Contingencies**		450,000
TOTAL		20,000,000

*The maximum fixed percentage of direct eligible costs is applied (7%) given the specificities of the Region such as the number of countries covered by the action and the geographical dispersion and/or access to the most disaster prone areas.

**The EU contribution to "Contingencies" can only be mobilised by the European Commission.

Performance Monitoring

4.29 Overall monitoring of the Programme's implementation will be a responsibility of CDEMA's Coordinating Unit, in close coordination with the remaining implementing partners, i.e. the CDB and the National Authorising Officer of the Dominican Republic. Overall supervision of this process will be ensured by the EU Delegation to Barbados and the Eastern Caribbean and, for the Dominican Republic's Component by the EU Delegation to the Dominican Republic.

4.30 Each component of the Programme will be monitored in accordance with standard EU monitoring procedures. It is expected that key quantified indicators will be defined to measure performance. Performance will be assessed against the targets set out in the OVI. The latter, sources of verification and assumptions will be further streamlined during the Inception Phase for the entire intervention logic to allow for an effective monitoring of the complete Programme implementation.

4.31 CDEMA will function as the Secretariat of the PSC. Irrespective of the contract related reports (narrative and financial), quarterly narrative reporting and an annual global report should be provided for by CDB, CDEMA's Coordinating Unit and the NAO of the Dominican Republic, against the indicators agreed upon during the Inception Phase. Overall coordination of these reports will be ensured by the CARIFORUM, through CDEMA as secretariat of the PSC and collated into one stand-alone document. The EU Delegation to Barbados and the Eastern Caribbean will coordinate with the EU Delegation to the Dominican Republic in order to ensure timely delivery to CDEMA of the elements to be provided for by its NAO.

4.32 The implementing partners should also provide information on the Programme's performance through CDEMA as Secretariat of the PSC, whenever requested by the following authorities: CARIFORUM, the ACP Secretariat and the European Commission. External consultants may be recruited to support the process. Regular briefs to the European Commission and the ACP Committee of

Ambassadors on the progress of this Programme shall be provided through CDEMA as the PSC's Secretariat.

4.33 The PSC will be able to oversee general implementation of activities, approve annual work programmes, reviewing performance and assess impact.

4.34 All procedures and standard documents used will be those laid down by the European Commission, in force at the time of the adoption of the contracts implementing this programme. Day-to-day technical and financial monitoring of the programme will be an on-going process undertaken as part of the Beneficiaries' responsibility. To this end, the Beneficiaries shall establish permanent internal technical and financial monitoring systems for the Programme, which will be used to inform the annual and intermediate programme reports.

4.35 Apart from this, external mid-term reviews through project life cycle are proposed to independently evaluate progress and effectiveness and subsequently recommend areas that need improvement, to be contracted by the European Commission. The latter may also launch ROM exercises as convenient using the Programme's respective budget heading. Independent consultants recruited directly by the Commission on specific terms of reference will carry out external monitoring missions as needed.

Evaluation and Audit

4.36 An evaluation of the Programme will be conducted by independent consultancy at the mid-term and again at the end of the programme to ascertain how the objectives and purposes of the Programme are fulfilled and to assess the sustainability, impact, effectiveness, efficiency and relevance of the Programme.

4.37 A provision for Audit is included in the budget of the Financing Agreement. Audit and evaluation contracts and framework contracts are to be managed by the European Commission acting for and on behalf of the ACP Secretariat (the terms of reference will be coordinated with the ACP Secretariat and contracted by the European Commission).

Communication and Visibility

4.38 All communication and visibility activities will be undertaken in accordance with the Communication and Visibility Manual for EU External Actions. The manual mainly covers the written and visual identity of the EU. It sets out the requirements and guidelines for briefings, and all other tools used to highlight EU participation. These should be multi-lingual, where appropriate.

4.39 A Knowledge, Communication and Visibility Plan should be submitted for the approval of the PSC at the early stages of the Programme's implementation. Lessons and experiences from the Programme should be collected and disseminated with a view to inform other relevant ACP and EU financed projects or programmes in a spirit of reciprocity. The EU Delegation to Barbados and the Eastern Caribbean will ensure that these links are established.

4.40 The Programme is given maximum visibility in all activities, reports and media releases, written material, press conferences, publicity material, presentations, invitations, signs, commemorative and/or other plaques, CDEMA and CDB's respective websites. In this regard, all materials should include the reference "with the financial support from the European Union in the framework of the *ACP-EU Natural Disaster Risk Management in the CARIFORUM* and carry the EU and ACP's logos. When appropriate, materials (communication and training) may be replicated for use in other ACP countries (e.g. in Africa and in the Pacific).

4.41 The EU Delegation to Barbados and the Eastern Caribbean and in liaison with the EU Delegation to the Dominican Republic, the CARIFORUM, CDB and CDEMA will also organise suitable Programme inauguration and handing over ceremonies aiming at the presence of local and international media, to ensure commensurate donor visibility but also enhance awareness of funded interventions and challenges in the DRM sector in the countries. Furthermore, frequent visits to Programme related sites to promote public awareness actions during implementation and in the presence of the local media and announcements in printed and electronic media shall be implemented.

This template is to be used in the following cases:

1. Contracts for the implementation of activities by an International Organisation following:
 - 1.1 A call for proposals launched in 2012 or
 - 1.2 A call for proposals launched in January or February 2013 where the international organisation is the only grant beneficiary.
2. Contracts for the delegation of budget implementation tasks to international organisations under Joint Management.

**EUROPEAN UNION CONTRIBUTION AGREEMENT
WITH AN INTERNATIONAL ORGANISATION**

<identification number of the contribution agreement>

(the "Agreement")

The European Union, represented by the European Commission, (the "Contracting Authority") of the one part, and Caribbean Development Bank (CDB) with its Head office at Wildey, St. Michael, Barbados, W.I. (the "Organisation") of the other part, (Individually a "Party" and collectively the "Parties"), have agreed as follows:

Special Conditions

Article 1 - Purpose

- 1(1) The purpose of this Agreement is a contribution by the Contracting Authority for the implementation of the action entitled: "ACP-EU Natural Disaster Risk Management in the CARIFORUM Countries" (*the "Action"*) as described in Annex I.
- 1(2) The Organisation will be awarded the contribution on the terms and conditions set out in this Agreement, which [complies with the provisions of *<reference to any relevant framework agreement between the Commission and the Organisation¹>* and] consists of these special conditions (the "Special Conditions") and their annexes, including General Conditions.
- 1(3) The Organisation accepts the contribution and undertakes to do everything in its power to implement the Action under its own responsibility.

¹ Please specify the applicable framework agreement. Delete if the organisation has not signed a framework agreement with the European Commission.

1(4) The Action is a Joint Management Action for all purposes of this Agreement².

1(5) The Action is not a Multi-donor Action for all purposes of this Agreement³.

Article 2 – Entry into force, Implementation Period and Execution Period

2(1) This Agreement shall enter into force on the date when the last of the two Parties signs.

2(2) The implementation period of this Agreement (the "Implementation Period") will begin on:

Select one⁴

[-the day following that on which the last of the two Parties signs]

[-the first day of the month following the date on which the first pre-financing is paid by the Contracting Authority]

- *<indicate a later date>*

- *<indicate a date preceding the signature of the Agreement but not preceding the Organisation's request for a contribution>*.

2(3) The Implementation Period, as laid down in Annex I, is 60 months.

2(4) The execution period of this Agreement shall start at the entry into force of this Agreement as provided for in Article 2(1) and shall end at the moment of the payment of the balance by the Contracting Authority in accordance with Article 17 of Annex II or when the Organisation repays any amounts paid in excess of the final amount due pursuant to Article 18 of Annex II. In cases where there is no final payment by the Contracting Authority or final repayment by the Organisation, the end of the execution period shall be the end date referred to in Article 12.5 of Annex II.

In case of a Joint Management Action which is not a Multi-donor Action insert:

[2(5) Individual contracts implementing the activities under this Agreement shall be signed within 3 years from the date of entry into force of this Agreement.]

² Joint Management Action is to be used when at least one of the three conditions set forth in Article 1.7 of the General Conditions (pooling, framework agreement or joint assessment) are met. The use of this method of implementation is established in the relevant financing decision.

³ Multi-donor Action is defined in the first indent of Article 1.7 of the General Conditions of the Agreement and requires at least 2 donors without ear-marking of funds; one donor can be the international organisation implementing the action.

⁴ When selecting one of the options, the Parties should try that the Implementation Period of the Agreement coincides with the implementation period of the project/programme of the Organisation or at least with the Organisation's reporting cycles.

For Multi-donor Actions and all grants insert:

[2(5) The terms of Article 11.2 of Annex II do not apply.]

Article 3 - Financing the Action

3(1) The total cost of the Action eligible for financing by the Contracting Authority is estimated at EUR 12,294,300, (approximately USD16,500,000) as set out in Annex III.

3(2) The Contracting Authority undertakes to finance⁵ a maximum of EUR 12,294,300, (approximately USD16,500,000), equivalent to 100% of the estimated total eligible cost specified in paragraph 1];⁶ the final amount will be established in accordance with Articles 14 and 17 of Annex II.

3(3) Pursuant to Article 14.4 of Annex II, 7% of the final amount of direct eligible costs of the Action to be reimbursed by the Contracting Authority to the Organisation in accordance with Articles 14 and 17 of Annex II, may be claimed by the Organisation as indirect costs.

(Select one)

[3(4) For the BUDGET in all cases, and for the EDF when the Action is Joint Management: Interest yield by pre-financing payments is not due]

[3(4) For the EDF when the action is not Joint Management Interest yielded by pre-financing of more than EUR 250.000, or 750.000 if crisis situation, shall be assigned to the Action and deducted from the payment of the balance or recovered.]

[3(4) In cases where the rules of organisation foresee the reimbursement of interest: Interest yielded by pre-financing is due.]

If sub-granting is foreseen (not applicable in Joint Management):

[3(5) In order to support the achievement of the objectives of the Action, the Organisation may award sub-grants to the types of activities specified in Annex I. Annex I also specifies the minimum and maximum amounts per sub-grant as well as the total amount of sub-grants to be awarded by the Organisation in accordance with the conditions and limits established in Article 1.3 of Annex II.]

If VAT, taxes, duties and charges are not eligible, i.e in one of the two following cases:

⁵ Where the contribution is financed out of the European Development Fund, mentions of European Union financing must be read as referring to European Development Fund financing.

⁶ The percentage will not be reflected in Article 3(2) in the case of Multi-donor Actions where the final funding of the Action is not known at the time of signing this Agreement. The precise ratio of the EU contribution will only be known at the determination of the final amount in accordance with Article 17 of Annex II at the moment of establishing the balance between income and expenditure. The percentage will not be reflected either in cases of parallel co-financing.

1. the Basic Act or the Financing Agreement excludes their eligibility
 2. the Call for Proposal excludes their eligibility
- insert (select one):

[3.() Taxes, duties and charges are not eligible.]

[3.() VAT is not eligible.]

Article 4 - Narrative and financial reporting and payment arrangements

4(1) Narrative and financial reports shall be produced in support of payment requests, in compliance with Articles 2 and 15.1 of Annex II.

4(2) Payment will be made in accordance with Article 15 of Annex II; of the options referred to in Article 15.1, the following will apply⁷:

Option 1

Pre-financing EUR <.....>

Forecast final payment EUR <.....>

(subject to the provisions of Annex II)

Option 2

First installment EUR <.....>

Second installment EUR <.....>

Third instalment EUR <.....>

... add as many as years

Forecast final payment EUR <.....>

(all subject to the provisions of Annex II)

4(3) The exchange rate referred to in Article 2.7 of Annex II is : <...>⁸

⁷ Delete the option which does not apply. "Option 2" details the installments to be released upon commitment of 70% of the immediately preceding installment (and 100% of the previous ones). Unless there is an amendment to the budget only the final payment requires recalculation (see FAQ 40).

⁸ Delete if not applicable.

Article 5 - Contact addresses

Any communication relating to this Agreement shall be in writing, shall state the number and title of the Action, and shall use the following addresses

For the Contracting Authority:⁹

Option 1: where the Contracting Authority is the European Commission:

Payment requests and attached reports, including requests for changes to bank account arrangements shall be sent to:

European Commission

<Directorate General/Delegation>

For the attention of <Financial Unit/Section, including address>

Copies of the documents referred to above, and correspondence of any other nature, shall be sent to:

European Commission

<Directorate General/Delegation> For the attention of <Operational Unit/Section, including address>

A copy of the reports referred to in Article 4(1) shall be sent to the European Union Delegation in charge of monitoring the Action, at the following address:

<.....>¹⁰

Option 2: where the Contracting Authority is not the European Commission:

<Address of the Contracting Authority's management department>

For the Organisation:

<.....>

Article 6 - Annexes

6(1) The following documents are annexed to these Special Conditions and form an integral part of the Agreement:

- Annex I: Description of the Action
- Annex II: General Conditions applicable to European Union contribution agreements with international organisations
- Annex III: Budget for the Action
- Annex IV: Financial identification form
- Annex V: Standard request for payment

⁹ Choose one option and delete the other.

¹⁰ Delete if not applicable.

- 6(2) In the event of a conflict between the provisions of the present Special Conditions and any Annex thereto, the provisions of the Special Conditions shall take precedence. In the event of a conflict between the provisions of Annex II and those of the other annexes, the provisions of Annex II shall take precedence.

[Article 7 - Additional specific conditions applying to the Action]

- 7(1) The following additional conditions supplement the General Conditions:

When this Agreement is signed following a call for proposals launched in 2013, insert:

[7(1)(1) Only affiliated entities¹¹ can have the role of implementing partners as referred to in Article 1.3 of the General Conditions. For the purpose of this agreement, the following legal entities are considered as affiliated entities:

- <name of the legal entity>,
- ...]

When this Agreement is signed following a call for proposals and the contribution is more than five million euros, insert:

[7(1)(1) Article 15.1 is supplemented by:

To release any pre-financing all previous installments, except the last one, should have been reported as costs incurred, following Article 2.3 of the General Conditions, and as such approved.]

- 7(2) The following exemptions from the General Conditions shall apply:

When this Agreement is signed following an EDF call for proposals launched either in 2012 or 2013 or a direct award of a grant under EDF, insert:

[7(2)(1) By derogation from Article 15.1 pre-financing deadline is not 30 but 45 days.]

7(2)(2) By derogation from Article ...

¹¹ Affiliated entities of the Organisation may be: (i) legal entities together forming one legal entity, including where it is specifically established for the purpose of implementing the action. In this case, the resulting legal entity may apply as a single applicant or co-applicant. (b) legal entities having a link with the applicant, notably a legal or capital link, which is neither limited to the Action nor established for the sole purpose of its implementation on the condition that they satisfy the eligibility and non-exclusion criteria of an applicant.

Done in <Brussels> in three originals in the English language, two for the Contracting Authority and one for the Organisation.

For the Organisation

For the Contracting Authority

Name

Name

Position

Position

Signature

Signature

Date

Date

Endorsed for financing approval by the European Union (if necessary)¹²

Name

Position

Signature

Date

a shall be implemented.

¹² Where the Contracting Authority is not the European Commission. Delete if not applicable.

I. THE ACTION

1.0 DESCRIPTION

1.1 Title: ACP-EU Natural Disaster Risk Management in CARIFORUM Countries.

1.2 Location(s): Barbados

1.3 Cost of the action and amount requested from the Contracting Authority

Total cost of the action (A)	Amount requested from the Contracting Authority (B)	% of total eligible cost of action (B/A x100)
EUR 12,294,300	EUR 12,294,300	100%

1.4 Summary

Total duration of the action	60 months
Objectives of the action	<p><i>Overall Objective:</i></p> <p>The overall objective of the Programme is to reduce vulnerability to long term impacts of natural hazards, including the potential impacts of climate change, thereby achieving regional and national sustainable development and poverty reduction goals in the CARIFORUM Countries.</p> <p><i>Specific Objective:</i> The specific objective is to strengthen regional, national and community level capacities for mitigation, preparedness, management and coordinated response to natural hazards and the effects of climate change.</p>
Partner(s)	<ul style="list-style-type: none">• Regional specialist institutions including but not restricted to Caribbean Meteorological Organisation (CMO) and the Caribbean Institute for Meteorology and Hydrology (CIMH), the University of the West Indies Disaster Risk Reduction Centre (DRRC) and Seismic Research Centre, the Caribbean Community Climate Change Centre (CCCCC) as well as other technical regional institutions;• CARIFORUM Secretariat and NAO Offices, CARICOM Secretariat;• National Disaster Management Agencies/Offices and the line ministries of Member States, in particular those of Finance and Economic Planning and those responsible for Climate Change issues;• Communities impacted by meteorological, geological, climate related and other natural hazards in those Member States;• Non-State actors including non-governmental organisations (NGOs), civil society and the private sector which operate at the community and sector levels in those Member States;• Regional policymakers, such as the Council of Caribbean Disaster Emergency Management Agency, CARICOM Institutions, such as

	<p>the Council for Trade and Economic Development (COTED);</p> <ul style="list-style-type: none">• Other ACP sub-regional organisations with a mandate on DRR that could benefit from lessons learned from this Programme, namely the members of the ACP-EU Natural Disaster Facility; and• Development partners present in the region.
Target group(s)	<p>CARIFORUM Communities and Non state actors including civil society, NGOs and the private sector which operate at the community and sector levels in CARIFORUM Member Countries;</p> <p>CARIFORUM Ministries of Finance and Economic Planning; and</p> <p>CARIFORUM water and transportation sector institutions.</p>
Final beneficiaries	<p>CARIFORUM Citizens.</p>
Estimated results	<p>Result 2 - National, Local and Regional Resilience through Strengthened Early Warning, National Risk Profiling and Community-based Disaster Risk Reduction and Climate Change Adaptation.</p> <p>Result 3 - Sector Resilience Strengthened in Key Public Sectors, through Disaster Risk Reduction and Climate Change Adaptation Mainstreaming.</p>
Main activities	<p>Result 2 Activities:</p> <p>Strengthen community/local-level capacity for resilience in CARIFORUM countries to the challenges posed by natural hazards and climate events in a number of identified and prioritised areas;</p> <p>Improve institutional capacities at regional¹ and national levels for early warning and data analysis, modelling and the development of practical applications².</p> <p>Result 3 Activities:</p> <p>Remove barriers and create opportunities for mainstreaming DRR and climate change adaptation (CCA) in the public sector, particularly, at the level of Ministries of Finance, Planning and Economic Affairs.</p> <ul style="list-style-type: none">• Improve integration of DRR and CCA considerations into planning and decision-making frameworks at national and sub national levels in selected CARIFORUM countries;• Make critical infrastructure in the transportation and water sectors in CARIFORUM countries more resilient to natural hazards and better prepared for climate change and climate variability.

¹ For regionally mandated organisations only.

² This may include addressing the meteorological and disaster management office interface.

1.5 Objectives

Overall Objective:

The overall objective of the Programme is to reduce vulnerability to long term impacts of natural hazards, including the potential impacts of climate change, thereby achieving regional and national sustainable development and poverty reduction goals in the CARIFORUM Countries.

Specific Objective:

The specific objective is to strengthen regional, national and community level capacities for mitigation, preparedness, management and coordinated response to natural hazards and the effects of climate change.

1.6 Relevance of the Action

The ACP States (CARIFORUM) comprises small states with developing economies prone to natural hazards. Both hydro meteorological and climate related hazards, such as hurricanes, wind storms or floods, as well as geological hazards, such as earthquakes or volcanic eruptions are recurrent in the region. In these small states, single catastrophic events can have a disproportionate negative effect on both the national and regional economies. This is also due to the interaction of a number of driving forces such as climate change, environmental degradation, demographic pressure, unplanned urban growth, trans-boundary nature of natural hazards, etc. Such factors intensify the effects disasters have on people, in particular the poorest and most vulnerable, their assets and livelihoods and their ability to recover. Furthermore, they also strain the ability of the public sector in reconstruction efforts and lead to higher debt levels.

Disaster mitigation and resilience, the focus of this Programme, is therefore a particularly relevant and important component of economic policy in the region, in the attempt to reduce exposure of governments from diverting substantial resources for relief operations, recovery and reconstruction.

Dating back to the 1980s, several initiatives developed at both national and regional levels, have been designed to reduce this vulnerability. CDEMA has been particularly engaged in these efforts, namely with the development of the *Enhanced CDM Strategy and Programming Framework* (CDM) and in strengthening regional and national capacities. CDB has developed and contributed to the development of a strategic and proactive approach to Disaster Risk Management (DRM) in order to avoid further cycles of vulnerability and better secure its investments in the region. However addressing prevention, mitigation and preparedness to natural hazards has proven complex as it is still a slowly emerging issue in the policy agenda in the region, in particular among Ministries of Finance and Planning, and in linking national action with community level needs and priorities.

This Programme is the Caribbean component of the 10th EDF Intra-ACP Cooperation Strategy (2008-2013), in which the ACP Group and the EU recognise the need to increase efforts with regard to *ex ante* DRR and CCA. It is also anchored in the EU's general and specific guidelines on disaster resilience.

In this regard, it responds directly to the implementation priorities B (Regional Action Plans on DRR) and C (Integration of DRR into EU's External Action) of the *EU Strategy for Supporting DRR in Developing Countries – Implementation Plan* and 3 of the 5 priorities of the *Global Climate Change Alliance (GCCA)*: adaptation to climate change, promotion of DRR and integration of climate change into poverty reduction efforts.

It also echoes the recommendations of the European Communication *EU Approach to Resilience: learning from food security crises*, in particular, on the following aspects: i) anticipation of crises by assessing risks, ii) focus on prevention and preparedness and iii) enhancement of crisis response.

Finally, this Programme will fill in the gaps between humanitarian and development interventions, acknowledging CDEMA's key role in the region, as well as by serving as an anchor initiative that could further leverage coordinated DRR efforts in the region, in particular by mainstreaming DRR at the level of Ministries of Finance, Planning and Economic Development. The role expected from CDB will be instrumental in this regard.

1.7 Description of the Action

Description of the Action:

This action will implement Results 2 and 3 of the overall ACP-EU in DRM in the CARIFORUM Countries programme in joint management with CDB.

Joint management with the CDB in accordance with Article 29 of the Financial Regulation of the 10th EDF is possible because the Programme is elaborated jointly between the CDB and the European Commission.

The CDB will be entrusted with budget-implementation tasks, such as contract-management cycle, following DEVCO's templates or approved derogations, notably: launching calls for tenders and for proposals; definition of eligibility, selection and award criteria; evaluation of tenders and proposals; award of grants, contracts and financial instruments; acting as contracting authority concluding and managing contracts, carrying out payments, recovering moneys due and cancelling debts that cannot be recovered. The definition of objectives and essential policy characteristics of the action entrusted is not a budget-implementation task, but a prerogative of the Commission.

The change of method of implementation constitutes a substantial change except where the Commission "re-centralises" or reduces the level of budget-implementation tasks previously entrusted to the international organisation.

Expected results:

Result 2 - National, local and regional resilience through strengthened early warning, national risk profiling and community-based DRR and CCA³:

Activities

- Community-based DRR and CCA activities building upon on-going regional and national initiatives (including lessons learned from community-based DRR and CCA activities);
- Replication/scaling up national and community level experiences for disaster mitigation and CCA;
- Strengthening early warning systems and related capacities at regional and national levels, building on recent progress made through on-going EU-funded projects and others;
- Data collection, sharing and utilisation in the form of modelling and other aspects for decision making and planning;
- Undertaking of national risk profiles in countries in the region to provide an evidence-based understanding of the type, magnitude and special distribution of disaster risks to which states are most prone and assist in providing valuable input to development planning decision making and strategic planning for response.

³ These activities will be partially achieved through CDB's Disaster Management Strategy and Operational Guidelines (DiMSOG) and partially through its recently established Community Disaster Risk Reduction Fund (CDRRF).

Result 3 - Sector Resilience Strengthened in Key Public Policy Sectors, through DRR and CCA Mainstreaming:

Activities

- Conducting a Knowledge, Attitude and Perception (KAP) study of the relevant Ministries in all the participating countries;
- Based on results of KAP, identifying and developing a mainstreaming work plan including institutional and capacity strengthening (on the job learning, training, etc.), strategic approaches (communication, advocacy, etc.), evidence-based policy making and budgeting for DRR and CCA (assessments, economic analysis, etc.) , and tools necessary for mainstreaming DRR and CCA in relevant ministries;
- Review and adaptation of risk and resilience decision making standards and approaches for roads and transport infrastructure and water and waste water utility systems;
- Development of a regional road resilience and regional water utility resilience index;
- Training of assessors in regional road resilience and regional water utility resilience index;
- Pilot application of adapted decision making tools in CARIFORUM countries;
- Identification, preliminary design and costing of feasible technologies and techniques for CCA and resilience building for participating pilot countries; and
- Pilot mainstreaming in three countries.

1.8 Methodology

In order to implement this action, it is foreseen that the EU will conclude a Financing Agreement with the Secretary General of the ACP Group of States (Authorizing Officer of the Intra-ACP funds), referred to in Article 17 of Annex IV to the Cotonou Agreement.

The Programme will be partially devolved to: (a) the EU Delegation to Barbados and the Eastern Caribbean to specifically contract to deliver Results 1-3 and to manage the contracts for communication, visibility, monitoring, evaluation and audit, as well as contingencies; (b) to the EU Delegation to Dominican Republic for contract supervision under the Dominican Republic's component.

1.9 Governance and Responsibilities

A Programme Steering Committee (PSC) chaired by CARIFORUM, will be set-up to advise and provide overall strategic direction of the Programme and will be responsible for reviewing progress and achievements, reports and work programmes. The PSC will actively seek and support coordination and ensure complementarities with on-going actions and existing strategies. It will safeguard against duplication with other activities financed either by the EU and/or other donors.

The ACP Group is represented through the CARIFORUM. However, the ACP Secretariat's Assistant Secretary General, responsible for the 10th EDF Intra-ACP funds for DRR, will be invited to participate in the PSC in order to ensure the coherence with the implementation of the other components of the intra-ACP envelope for DRR, i.e. Africa and the Pacific.

CARIFORUM, CDB, CDEMA and the EU Delegations to Barbados and the Eastern Caribbean and to the Dominican Republic (ECHO's office for the region may be mobilised by the EU Delegations whenever necessary) will form the PSC.

At the discretion of the PSC, the DFID's Office to the Caribbean, the United Nations Office for Disaster Risk Reduction (UNISDR) and the World Bank led Global Facility for Disaster Reduction and Recovery (GFDRR) may also be invited to participate with observer status, to ensure complementarities and synergies with the projects managed by both partners on behalf of the EU in the region and to avoid any eventual overlaps. The CARICOM and OECS Secretariats may be invited to participate, with an observer status as well as other EU member states and CARIFORUM member states country representations, all with observer status and on a rotational basis or on any other modality decided by the PSC.

The PSC will meet in-person once per year and once virtually, through video-conference, and/or on an ad hoc basis whenever necessary. Final Governance Arrangements will be agreed by the Steering Committee at early stages of the Programme.

In due consideration of the principle of ownership, the European Commission reserves its right to change the organisations indicated above or the scope of the delegation, without this necessarily requiring an amendment to the Financing Agreement. In that case, it shall consult the Beneficiaries on this change and notify to them the name of the new organisation(s) and/or the scope of the task(s) delegated to it.

1.10 Reporting

The reporting will be carried out pursuant to the rules and procedures set out in the special and general conditions of the applicable standard contracts. The Commission reserves the right to request the implementation partners to submit specific reports at any time.

In the case of the Dominican Republic's Component, (partially decentralised management), reporting will be carried out pursuant to the rules and procedures set out in the practical guide to procedures for Programme Estimates.

1.11 Monitoring

Overall monitoring of the Programme's implementation will be a responsibility of the Caribbean Disaster Emergency Management Agency (CDEMA) Coordinating Unit, in close coordination with the remaining implementing partners, i.e. the Caribbean Development Bank (CDB) and the National Authorising Officer of the Dominican Republic. Overall supervision of this process will be ensured by the EU Delegation to Barbados and the Eastern Caribbean and, for the Dominican Republic's Component by the EU Delegation to the Dominican Republic.

Each component of the Programme will be monitored in accordance with standard EU monitoring procedures. It is expected that key quantified indicators will be defined to measure performance. Performance will be assessed against the targets set out in the Indicative Logical Framework (objectively verifiable indicators - OVI). The latter, sources of verification and assumptions will be further streamlined during the Inception Phase for the entire intervention logic to allow for an effective monitoring of the complete Programme implementation.

CDEMA will function as the secretariat of the Programme's Steering Committee (PSC). Irrespective of the contract related reports (narrative and financial), quarterly narrative reporting and an annual global report should be provided for by CDB, CDEMA's Coordinating Unit, the NAO of the Dominican Republic, against the indicators agreed upon during the Inception Phase. Overall coordination of these reports will be ensured by the CARIFORUM, through CDEMA as secretariat of the PSC and collated into one stand-alone document. The EU Delegation to Barbados and the Eastern Caribbean will coordinate

with the EU Delegation to the Dominican Republic in order to ensure timely delivery to CDEMA of the elements to be provided for by its NAO.

The implementing partners should also provide information on the Programme's performance through CDEMA as Secretariat of the PSC, whenever requested by the following authorities: CARIFORUM, the ACP Secretariat and the European Commission. External consultants may be recruited to support the process. Regular briefs to the European Commission and the ACP Committee of Ambassadors on the progress of this Programme shall be provided through CDEMA as the PSC's Secretariat.

The Programme Steering Committee (PSC) will be able to oversee general implementation of activities, approve annual work programmes, reviewing performance and assess impact.

All procedures and standard documents used will be those laid down by the European Commission, in force at the time of the adoption of the contracts implementing this programme. Day-to-day technical and financial monitoring of the programme will be an on-going process undertaken as part of the Beneficiaries' responsibility. To this end, the Beneficiaries shall establish permanent internal technical and financial monitoring systems for the Programme, which will be used to inform the annual and intermediate programme reports.

Apart from this, external mid-term reviews through project life cycle are proposed to independently evaluate progress and effectiveness and subsequently recommend areas that need improvement, to be contracted by the European Commission. The latter may also launch results oriented monitoring (ROM) exercises as convenient using the Programme's respective budget heading. Independent consultants recruited directly by the Commission on specific terms of reference will carry out external monitoring missions as needed.

1.12 Evaluation

The European Commission will carry out external evaluations via independent consultants, as follows:

- a mid-term evaluation mission;
- a final evaluation, to be launched at least 6 months before closure;

The European Commission shall appoint, in accordance with EU procurement rules, an internationally recognised external evaluator.

One of the purposes of these evaluations will be to assess the short and mid-term impacts and to find out the lessons for future activities. The terms of reference will be coordinated with the ACP Secretariat and contracted by the European Commission.

The Beneficiaries and the European Commission shall analyse the conclusions and recommendations of the mid-term evaluation and jointly decide on the follow-up action to be taken and any adjustments necessary, including, if indicated, the reorientation of the project. The reports of the other evaluation and monitoring missions will be given to the Beneficiary and the implementation partners in order to take into account any recommendations that may result from such missions.

The Commission shall inform the Beneficiary and the implementation partners at least one month in advance of the dates foreseen for the external missions. The Beneficiary and the implementation partners shall collaborate efficiently and effectively with the monitoring and/or evaluation experts, and *inter alia*

provide them with all necessary information and documentation, as well as access to the project premises and activities.

1.13 Information and Visibility

All communication and visibility activities will be undertaken in accordance with the Communication and Visibility Manual for EU External Actions. The manual mainly covers the written and visual identity of the EU. It sets out the requirements and guidelines for briefings, and all other tools used to highlight EU participation. These should be multi-lingual, where appropriate.

A Knowledge, Communication and Visibility Plan should be submitted for the approval of the Programme Steering Committee (PSC) at the early stages of the Programme's implementation. Lessons and experiences from the Programme should be collected and disseminated with a view to inform other relevant ACP and EU financed projects or programmes in a spirit of reciprocity. The EU Delegation to Barbados and the Eastern Caribbean will ensure that these links are established.

The Programme is given maximum visibility in all activities, reports and media releases, written material, press conferences, publicity material, presentations, invitations, signs, commemorative and/or other plaques, CDEMA and CDB's respective websites. In this regard, all materials should include the reference "with the financial support from the European Union in the framework of the *ACP-EU Natural Disaster Risk Management in the CARIFORUM* and carry the EU and ACP's logos. When appropriate, materials (communication and training) may be replicated for use in other ACP countries (e.g. in Africa and in the Pacific).

The EU Delegation to Barbados and the Eastern Caribbean and in liaison with the EU Delegation to the Dominican Republic, the CARIFORUM, CDB and CDEMA will also organise suitable Programme inauguration and handing over ceremonies aiming at the presence of local and international media, to ensure commensurate donor visibility but also enhance awareness of funded interventions and challenges in the DRM sector in the countries. Furthermore, frequent visits to Programme related sites to promote public awareness actions during implementation and in the presence of the local media and announcements in printed and electronic media shall be implemented.

1.14 Risks and Assumptions

A number of risks have been identified as well as preliminary mitigation measures:

- The impact of a disaster event on one or several CARIFORUM member states has the potential to delay or temporarily stop the implementation of the Programme activities within the affected countries and also in other related activities not directly affected. Implementing entities are thus expected to work with the relevant Programme's Steering Committee (PSC), the EU and the ACP Group to ensure that the affected Programme components are resumed as quickly as possible;
- Institutional and/or absorption capacity of community, national and regional authorities may be limited. Although the Programme aims to develop part of this capacity, its retention within the region is instrumental for long term success and sustainability.
- Regional programming for community DRR and CCA is under-developed. There is a wide spectrum of potential development programming approaches that can be pursued to enhance community resilience to DRR and CCA. The body of regional experience in "defining" and "delivering" CDRR and CCA approaches is small;

- Overlap with actions financed by other donors and/or EU-funded projects and programmes. However, seeking donor coordination for community, country and regional implementation is an integral part of the proceedings of the PSC.

The success of this Programme is based on the following assumptions:

- At the national level, the key assumption is that the political buy-in demonstrated thus far by governments and sub-regional organisations in the recognition of the importance of DRR/CCA will be translated in the continued allocation of the required human and technical resources to participate in regional and in-country activities. In this regard, the engagement of appropriate agencies (regional and national) in the Programme's implementation should ensure greater awareness and commitment by all political decision makers.
- Moving from response and disaster management to risk management is a paradigm shift to be accomplished in the region. As such the assumption is that advocacy at regional and national level is continued and promoted by this Programme, namely at the level of Ministries of Finance, Planning and Economic affairs respectively, which should be involved from the early stages of the Programme.
- The timely, effective and efficient implementation of this intervention requires that the key stakeholders identified below are able to absorb the available resources in terms of their demand for technical assistance services, supplies, etc., offered by the Programme. The implementing agencies would thus need to commit to engage in a process of continuous dialogue and advocacy with national, sub-regional and regional stakeholders to ensure that the policy commitments are adhered to and financial commitments are realized.
- The expected results identified and the actions proposed for each will build on the results and experiences of the Comprehensive Disaster Management Strategy (CDM) and related interventions and will provide the opportunity to further mainstreaming CDM and CCA into national development and for scaling up national and community level experiences for disaster mitigation and CCA.
- CDEMA's Coordinating Unit, the Caribbean Development Bank and the Dominican Republic's National Authorising Officer closely coordinate among themselves, with the Steering Committee as chaired by the CARIFORUM as well as with the EU Delegations involved.

There are a number of conditions to be met prior to and during implementation to ensure project success and the implementation partners will work in close collaboration with the relevant regional and national agencies to address these. The conditions are:

- Signature of the Contribution Agreement between the European Commission and the Caribbean Development Bank (CDB);
- Signature of a Grant award with the Caribbean Disaster Emergency Management Agency (CDEMA);
- Signature of the Programme Estimates with the Dominican Republic's National Authorising Officer
- Commitment at the highest level of government to the process;
- Commitment by senior state actors to participate and support the process;
- Involvement of all sectors and civil society in the national consultations;
- Commitment of national resources to the process; and
- Active participation of the ACP Secretariat in the intra-ACP activities foreseen in the programme, including in the PSC.

1.15 Duration and indicative action plan for implementation

The duration of the action will be sixty (60) months. The schedule for implementation is detailed at Annex 1 to Appendix 2, Page 12.

The project will be based at the Caribbean Development Bank located in Barbados.

1.16 Sustainability

Preconditions and Assumptions

CDB will be required to waive its procurement regulations to allow procurement of goods, services and supplies from (a) Dominican Republic, and (b) EU Member Countries which are not Member Countries of CDB.

CDB will identify and assign specific staff to be responsible for the day to day management and implementation of the ACP-EU Natural Disaster Risk Management in the CARIFORUM Programme.

Institutional Level

CDB will seek, as much as is feasible, to build into individual programme design, considerations of ownership, particularly as it relates to reasonable levels of counterpart contributions, clear demonstration of ownership by the beneficiaries and post-project activities.

1.17 Logical Framework

Detailed at Annex 1 to Appendix 2, Pages 13-20.

2.0 BUDGET FOR THE ACTION

The Action shall comprise of the following:

Implementation Modalities	Project Result/Component	Specific Costs	EU Contribution (EUR)	
Joint Management (Contribution Agreement with CDB)	Result 2 Improved National and Regional Resilience through Strengthened Early Warning, National Risk Profiling and Community-based Disaster Risk Reduction	Disaster Management Strategy and Operational Guidelines (DiMSOG)	3,000,000	
		Community Disaster Risk Reduction Fund (CDRRF)	1,590,000	
	Result 3 Sector Resilience Strengthened in Key Sectors	Sectoral Resilience	4,800,000	
		Knowledge, Attitude, Practice Study (KAP)	600,000	
	Project management/CDB's Administration Costs	Operating costs (including staff)	1,500,000	
		7% Indirect costs	804,300	
			Total	12,294,300

A detailed budget for the overall ACP EU National Disaster Risk Management in the CARIFORUM Programme is attached at Annex III.

3.0 EXPECTED SOURCES OF FUNDING

The Programme will be financed to the value of the €12,294,300 million from the 10th EDF Caribbean Regional Programme to Support the Forum of Caribbean States.

INDICATIVE LOGICAL FRAMEWORK

INTERVENTION LOGIC	OBJECTIVELY VERIFIABLE INDICATORS OF ACHIEVEMENT	SOURCES AND MEANS OF VERIFICATION	ASSUMPTIONS AND PRE- CONDITIONS
Overall Objective			
To reduce vulnerability to long term impacts of natural hazards, including the potential impacts of climate change, thereby achieving regional and national sustainable development and poverty reduction goals in the CARIFORUM Countries.	Gross Domestic Product losses from natural hazard/climate variability events.		<ul style="list-style-type: none"> (a) Overlap with actions financed by other donors and/or EU-funded projects and programmes. (b) The political buy-in demonstrated thus far by governments and sub-regional organisations. (c) Advocacy at regional and national level is continued namely, through CARICOM's Regional Framework for Achieving Development Resilient to Climate Change and at the level of Ministries of Finance, Planning and Economic affairs respectively.
Specific Objective			
To strengthen regional, national and community level capacities for mitigation, preparedness, management and coordinated response to natural hazards and the effects of climate change.	Number of BMCs with dedicated community disaster risk reduction policies/plans within national disaster management strategies.		<ul style="list-style-type: none"> (a) The impact of a disaster event on one or several CARIFORUM member states has the potential to delay or temporarily stop the implementation of Programme activities within the affected countries. (b) Institutional and/or absorption capacity of community, national and regional authorities may be limited.
Expected Results (Outcomes)			
R1 - Capacity of the CDEMA Coordinating Unit (CU) and National Disaster Offices Strengthened for Implementation of CDM.	<ul style="list-style-type: none"> (a) Level of satisfaction of NDOs on whether the CDEMA CU is able to provide more timely technical backstopping. (b) Evidence that CDEMA CU's capacities are of an international standard. 	<ul style="list-style-type: none"> (a) Interviews with CDEMA CU, NDOs, communities, development partners. 	<ul style="list-style-type: none"> (a) Regional Objectives require a commitment to cooperation, coordination and exchange and sharing among national agencies. This also requires a basis of collaboration and some commonalities for inter-operability. (b) Specific Objectives also require a commitment among national and regional (and sectoral) agencies to

INTERVENTION LOGIC	OBJECTIVELY VERIFIABLE INDICATORS OF ACHIEVEMENT	SOURCES AND MEANS OF VERIFICATION	ASSUMPTIONS AND PRE- CONDITIONS
<p>R2 - National, Local and Regional Resilience through Strengthened Early Warning, National Risk Profiling and Community-based Disaster Risk Reduction.</p> <p>R3 - Sector Resilience Strengthened in Key Sectors</p>	<p>(c) Number/percentage of NDOs' demonstrating improved capacity to manage and implement CDM, (mitigation, preparedness, response, recovery) in their country¹.</p> <p>(d) Number of national/regional all-hazard early warning systems in place allowing national disaster management offices (and other relevant agencies) to disseminate standardised alerting messages using multiple media simultaneously to the public, on various natural and man-made hazards, such as floods, tsunamis, hazardous materials spills, and hurricanes through the use of a standard protocol.</p> <p>(e) Number of countries/agencies accessing/utilising a functional regional data-sharing platform</p> <p>(f) Number/percentage of national hydro-met agencies utilising enhanced data analysis software/hardware and capacity for planning and decision-making</p> <p>(g) Number of CARIFORUM countries demonstrating improved resilience/reduced vulnerability, at the community level, to the challenges and the delivery of tangible DRR benefits to men, women, youth, indigenous persons, and/or vulnerable communities.</p>	<p>(b) EWS inspection and testing, interviews with key national agencies.</p> <p>(c) Platform inspection and testing, interviews with key national agencies.</p> <p>(d) Document review interviews with key national agencies and ministries.</p> <p>(e) Coordination with the GCCA initiative by the Caribbean Community Climate Change Centre (CCCCC).</p> <p>(f) Site Visits.</p> <p>(g) Document review.</p> <p>(h) Interviews with key national ministries and agencies.</p>	<p>utilise new capacities/skills and material goods acquired to improve their method and manner of operation. Improvement requires change.</p> <p>(c) In terms of further integration and mainstreaming, it is assumed that there is at least a window for opportunity and an audience in the key ministries at the national level. The right persons and agencies are to be selected for furthering this critical agenda.</p> <p>(d) At the national level, the key assumption is that the political buy-in demonstrated thus far by governments and sub-regional organisations in the recognition of the importance of DRM/DRR/CDM/CCA will be translated in the continued allocation of the required human and technical resources to participate in regional and in-country activities.</p> <p>(e) The Result Areas identified and the actions proposed for each will build on the results and experiences of the CDM Strategy and related interventions and will provide the opportunity to further mainstreaming CDM and CCA into national development; and for scaling up national and community level experiences for disaster mitigation and CCA.</p>

¹ Indicators are kept general as specific activities will depend on countries' selection of prioritized actions through the existing responsive mechanisms. Benchmark scales and/or more specific indicators will need to be developed.

INTERVENTION LOGIC	OBJECTIVELY VERIFIABLE INDICATORS OF ACHIEVEMENT	SOURCES AND MEANS OF VERIFICATION	ASSUMPTIONS AND PRE- CONDITIONS
	<ul style="list-style-type: none"> (h) Number/percentage of CARIFORUM countries utilising risk profiling information. (i) Number of countries with evidence of improved integration of DRR/DRM/CCA in national planning (j) Percentage of critical infrastructure in the transport and water sectors in CARIFORUM countries is designed, built and managed according to regional risk resilience standards. (k) Number of countries in which critical infrastructure in the transport and water sectors have been designed, built and managed according to regional standards. (l) Number of critical infrastructural resilience strengthening works undertaken in the transportation and water sectors in the CARIFORUM region as a result of the Programme. (m) Number of countries' Ministries of Finance and or Economic Development or Planning demonstrating mainstreaming of DRR/DRM/CCA (such as in National Budget's allocations). 	<ul style="list-style-type: none"> (i) Interviews with Ministries of Finance and Economic Planning. 	<ul style="list-style-type: none"> (f) CDB's BMC's/CDEMA's PSs are willing and ready to participate in the Programme and to actively implement national and community level components. This would be linked to the degree to which they understand the Programme's objectives to be reflecting their national needs and priorities, as well as how they are able to access the available resources and participate in the responsive modalities.
Activities:	Means:		
<ul style="list-style-type: none"> (a) Strengthening of the internal administrative, financial and monitoring systems of the CDEMA CU through training of relevant staff, enhancement of procedures, and improvement of associated IT platform. 	<ul style="list-style-type: none"> (a) Number/percentage of procedures improved. (b) Evidence of enhancement of information technology platform to support administrative and financial management and programme monitoring. 	<ul style="list-style-type: none"> (a) Document review. (b) Interviews with CDEMA CU staff and trainers. (c) Site visit. 	<ul style="list-style-type: none"> (a) The timely, effective and efficient implementation of this intervention requires that the key stakeholders identified to be able to absorb the available resources in terms of their demand for technical assistance services, supplies, etc., offered by the Programme. The implementing agencies would thus need to commit

INTERVENTION LOGIC	OBJECTIVELY VERIFIABLE INDICATORS OF ACHIEVEMENT	SOURCES AND MEANS OF VERIFICATION	ASSUMPTIONS AND PRE- CONDITIONS
<p>(b) Recruitment of personnel to support enhancement of administrative and financial management, programme management and monitoring at the CDEMA CU.</p> <p>(c) Provision of training/capacity building to the CU staff, in particular on technical areas related to disaster mitigation, preparedness, response, recovery.</p> <p>(d) Provision of train-the-trainer capacity building for selected staff in the CU to be able to continue technical training at the regional and national level.</p>	<p>(c) Evidence of improvement of administrative, financial management and monitoring at the CDEMA CU.</p> <p>(d) Evidence that CDEMA technical capacity for CDM implementation and monitoring is strengthened.</p> <p>(e) Number of trainings provided to CDEMA CU staff.</p> <p>(f) Number/percentage/type of persons trained.</p> <p>(g) Number of type of technical trainings provided to CDEMA CU staff.</p> <p>(h) Number/percentage/type of persons trained.</p> <p>(i) Number of train-the-trainer training provided.</p> <p>(j) Number/type of trainers and technical specialists in the CU.</p>		<p>to engage in a process of continuous dialogue and advocacy with national, sub-regional and regional stakeholders to ensure that the policy commitments are adhered to and financial commitments are realised.</p> <p>(b) The implementing agencies have the necessary technical and administrative capacities to undertake the administration and management of their specific result areas.</p> <p>(c) The capacities of the Implementing Entities are adequate for managing the EU rules and procurement procedures so there is no impact on the timeliness of delivery of outputs.</p> <p>(d) National implementing entities have the capacities to prepare proposals so as to drawdown funds from the Programme.</p>
<p>(a) A number of activities will be implemented to address strengthening national CDM capacity and NDO capacity for implementing the CDM strategies. These could include:</p> <p>(i) National CDM programme development and implementation (e.g. national policies and plans);</p> <p>(ii) Responsive support for implementation of priority areas identified in country work programmes;</p> <p>(iii) Website development or enhancement;</p>	<p>(a) The following list of indicators are presented as examples²:</p> <p>(i) Number/percentage of websites improved;</p> <p>(ii) Number/type/quality of public education and awareness materials on multi-hazards developed;</p> <p>(iii) Number/type/quality of material for disaster management in the school curriculum developed;</p> <p>(iv) Number/type of shelter management training provided and number of persons trained;</p> <p>(v) Number/type of shelter enhancements made;</p>	<p>(a) Document review.</p> <p>(b) Interviews with NDOs, and key national ministries and agencies.</p> <p>(c) Site visits.</p>	<p>(e) The CDRRF established in the CDB quickly initiates implementation thereby also impacting on activities at the community level to be undertaken through this Programme.</p> <p>(f) The TOR for the PSC are fully understood by the various stakeholders who are members of this Committee.</p> <p>(g) The proposed modalities for Programme implementation are not cumbersome and will allow for collaboration between the main implementing entities and between these implementing entities and their</p>

² These indicators cannot be fully defined at this stage, as countries need to select their respective training areas based on gaps and challenges and other programming.

INTERVENTION LOGIC	OBJECTIVELY VERIFIABLE INDICATORS OF ACHIEVEMENT	SOURCES AND MEANS OF VERIFICATION	ASSUMPTIONS AND PRE- CONDITIONS
<ul style="list-style-type: none"> (iv) Development of public education and awareness materials on multi-hazards (v) Developing relevant material for disaster management in the school curriculum; (vi) Shelter Management Training and Shelter enhancement; (vii) Search and Rescue Training; (viii) Strengthening Recovery and Reconstruction Planning; (ix) Strengthening Logistics/Operations Planning; (x) Strengthening EOCs; (xi) Enhancing and stockpiling warehouses; (xii) Fire and Hazardous Materials Management Training; (xiii) Disaster Risk Management Training. 	<ul style="list-style-type: none"> (vi) Number/type of search and rescue trainings provided and number of persons trained; (vii) Number/type of trainings provided for recovery and reconstruction planning and number of persons trained; (viii) Number/type of trainings provided for logistics and operational planning and number of persons trained; (ix) Number of EOCs improved; (x) Evidence of EOCs improvements; (xi) Number of warehouses improved; (xii) Evidence of warehouse improvements; (xiii) Number/type of trainings provided for fire and hazardous material management and # of persons trained. (b) Number/type of trainings provided to NDOs addressing CDM implementation; (c) Number/percentage of NDOs that received assistance in the implementation of their CDM Strategy; (d) Number/type/quality of CDM products produced for CDM (e) Number/percentage of NDOs that received adequate financial support to undertake national activities chosen from a pre-identified suite and based on national needs; 		<p>various stakeholders, especially at the national level.</p>

INTERVENTION LOGIC	OBJECTIVELY VERIFIABLE INDICATORS OF ACHIEVEMENT	SOURCES AND MEANS OF VERIFICATION	ASSUMPTIONS AND PRE- CONDITIONS
	(f) Degree to which the procedures and Guidelines supporting the CDF are improved, based on the perspectives of donors/development partners and NDOs;		
(a) Community based DRR and CCA activities will be targeted furthering regional progress made in strengthening local-level resilience which needs continued support and integrating into a recently established relevant and complementary regional Fund and process (the CDRRF). The programme will be implemented through three categories of activities: (i) Development and implementation of demonstration projects; (ii) Development of knowledge products, and; (iii) Provision of training to enhance skills and capacities in a number of areas related to DRR/CCA at the community level.	(a) Number/type of projects developed and implemented; (b) Number/type of knowledge products produced; (c) Quality of knowledge products produced; ³ (d) Number of persons/communities trained at the community level;	(a) Document review. (b) Interviews with communities.	
(a) A number of activities will be implemented to address strengthening EWS and related capacities at regional and national levels, building on recent progress made through EU funded projects and others. These could include: (b) Provision of training and hardware/software for data collection, analysis in the form of modelling and other aspects. (c) Establishing an improved data sharing platform for the national/regional level.	(a) Number/type of hardware/software provided to national hydro-met agencies; (b) Number/percentage of hydro-met agencies that received upgraded hardware/software; (c) Number/percentage of hydro-met agencies that received training in data collection and/or analysis;	(a) Document review (b) Interviews with NDOs, and key agencies (c) Site visits to view/test software/ hardware and systems	

³ Benchmark scales will need to be developed during the inception phase.

INTERVENTION LOGIC	OBJECTIVELY VERIFIABLE INDICATORS OF ACHIEVEMENT	SOURCES AND MEANS OF VERIFICATION	ASSUMPTIONS AND PRE- CONDITIONS
<p>Provision of training and hardware/software for all-hazard early warning.</p> <p>(d) Establishment and dissemination of standardised all-hazard early warning protocol</p> <p>(e) Enhancing Emergency Broadcast Systems;</p> <p>(f) Activities would be defined with greater clarity through a responsive process. National and mandated regional agencies will be able to submit proposals for undertaking initiatives in target areas. This will allow the Programme to be flexible and responsive to national and regional needs and priorities and to allow the most appropriate agencies to undertake the work.</p>	<p>(d) Number/type of hardware/software provided to national disaster agencies (and other relevant national agencies) for early warning;</p> <p>(e) Number/percentage of national disaster agencies (and other national agencies) that received upgraded hardware/software for early warning;</p> <p>(f) Number/quality of data sharing platform established;</p> <p>(g) Number of countries integrated into data sharing platform.</p>		
<p>(a) Review and adaptation of risk and resilience decision making standards and approaches for roads and transport infrastructure and water and waste water utility systems;</p> <p>(b) Development of a regional road resilience and regional utility resilience index;</p> <p>(c) Training of assessors in regional road resilience and regional utility resilience index;</p> <p>(d) Pilot application of adapted decision making tools in CARIFORUM countries;</p> <p>(e) Identification, preliminary design and costing of feasible technologies for CCA and resilience building for participating pilot countries.</p>	<p>(a) Number/type of risk and resilience decision making standards and approaches for roads and transport infrastructure and water and waste water utility systems reviewed and adapted;</p> <p>(b) Existence of guidelines for incorporating disaster and climate change risk in the design and implementation of roads and transport and water and wastewater infrastructure;</p> <p>(c) Existence of CARIFORUM Regional Utility Resilience Index;</p> <p>(d) Number of assessors are trained in regional road and regional utility resilience index;</p> <p>(e) Number of pilot applications of adapted decision making tools;</p>	<p>(a) Document review.</p> <p>(b) Interviews with key national ministries and agencies.</p>	

INTERVENTION LOGIC	OBJECTIVELY VERIFIABLE INDICATORS OF ACHIEVEMENT	SOURCES AND MEANS OF VERIFICATION	ASSUMPTIONS AND PRE- CONDITIONS
	(f) Number/type/quality of costed preliminary design and identification of technologies for building resilience in transport and water sectors in pilot countries.		
(a) Undertake national risk profiles in countries in the region to provide an evidence-based understanding of the type, magnitude and special distribution of disaster risks to which states are most prone. (b) Assist in strategic planning for response and provide valuable input to national development planning decision making.	(a) Number of risk profiles completed; (b) Quality of risk profiles completed, according to beneficiaries; ⁴ (c) Number of assistance initiatives provided for strategic planning; (d) Number/percentage of countries to which assistance provided.	(a) Document review. (b) Interviews with NDOs and key national ministries and agencies, including Ministries of Finance and Economic Planning.	
(a) Conduct of a Knowledge, Attitude and Perception (KAP) study of the relevant Ministries in all the participating countries; (b) Identify and develop training, strategies, and tools necessary for mainstreaming DRR and CCA in relevant ministries; (c) Undertake pilot mainstreaming activities in three countries.	(a) Number of KAP studies completed; (b) Number of countries with completed Ministry of Finance and Economic Planning baseline KAP surveys of DRM; (c) Number/type of training, strategies and tools identified for mainstreaming; (d) Number/type of training, strategies and tools developed for mainstreaming; (e) Quality of training modules, strategies and tools developed for officials in the Ministries of Finance and Economic Development. (f) Number of tools and training modules applied in three pilot countries.	(a) Document review. (b) Interviews with NDOs, Ministries of Finance and Economic Planning and other key national ministries and agencies.	

⁴ Benchmark scales will need to be developed.

**General Conditions applicable to European Union
contribution agreements with international organisations**

INDEX

Article 1 -General obligations	2
Article 2 -Obligations regarding information and financial and narrative reports	3
Article 3 -Liability	5
Article 4 -Conflict of interests	6
Article 5 -Confidentiality.....	6
Article 6 -Visibility and Transparency.....	6
Article 7 -Ownership/use of results and equipment	8
Article 8 -Evaluation of the Action	8
Article 9 -Amendment of the Agreement.....	9
Article 10 -Contracting.....	9
Article 11 -Implementation period of the Agreement, suspension, force majeure	11
Article 12 -Termination of the Agreement.....	12
Article 13 -Settlement of disputes	13
Article 14 -Eligible costs	13
Article 15 -Payments.....	15
Article 16 -Accounts and technical and financial checks	17
Article 17 -Final amount of financing by the Contracting Authority	18
Article 18 -Recovery.....	19

GENERAL AND ADMINISTRATIVE PROVISIONS

Article 1 - GENERAL OBLIGATIONS

- 1.1 The Organisation shall ensure that the Action is carried out in accordance with the Description of the Action contained in Annex 1 and is responsible for achieving the objectives set out therein. The Organisation shall report on the indicators of achievement specified in the Description of the Action.
- 1.2 The Organisation shall implement the Action with the requisite degree of care, efficiency, transparency and diligence, as required by best practice in the field concerned, and in compliance with this Agreement.

The Organisation shall make every effort to mobilise all the financial, human and material resources required for full implementation of the Action, as specified in the Description of the Action.

- 1.3 The Organisation may act either alone or in partnership with one or more organisations mentioned in the Description of the Action (implementing partners or partners). Partners shall actually participate in implementing the Action, and the costs they incur shall then be eligible under the same conditions as those incurred by the Organisation.

It may also contract parts of the Action, in accordance with the provisions of article 10 hereof.

Where the EU contribution has been awarded to the Organisation in the form of a grant following a call for proposals or a direct award, and therefore not as a Joint Management Action, and in particular where the implementation of the Action requires financial support to be given to third parties, the Organisation may only award grants to third parties ("sub-grants") as provided for in the Special Conditions, and only in order to support the achievement of the objectives of the Action. The Description of the Action shall include a list and description of the types of activity which may be eligible for sub-grants, together with the criteria for the selection of the beneficiaries of these sub-grants. The Description of the Action shall also establish the total amount which may be used for awarding sub-grants as well as the criteria for fixing the exact amount per sub-grant. The maximum amount of a sub-grant shall be limited to EUR 60 000 per third party, except in cases where the financial support in the form of grants and sub-grants is the primary aim of the action and it is not funded by the European Development Fund. The sub-grants awarded by the Organisation are subject to the nationality and eligibility rules for selection provided for in Article 10.3.

Where the Action is not a Joint Management Action, the bulk of the Action shall be undertaken by the Organisation, and where applicable, its partners.

The Organisation shall remain fully responsible for the co-ordination and execution of all contracted activities.

- 1.4 The Organisation undertakes to ensure that the conditions imposed upon it under Articles 1, 3, 4, 5, 6, 7, 10, 14, 16 and 17 shall also apply to all partners and, where applicable, contractors involved.

- 1.5 The Organisation shall take appropriate measures to prevent irregularities, fraud, corruption or any other illegal activity in the management of the Action. All suspected and actual cases of irregularity, fraud and corruption related to this Agreement as well as measures related thereto taken by the Organisation shall be reported to the Contracting Authority without delay.

Where appropriate the Organisation shall terminate contracts with partners, contractors or agents involved in fraudulent behaviour or corrupt practices in connection with this or any other actions implemented by the Organisation and financed by the European Union, and shall take all reasonable measures to recover funds unduly paid.

- 1.6 Without prejudice to Articles 1.3 and 10, the Agreement and the payments attached to it shall not be assigned to a third party in any manner whatsoever without the prior written consent of the Contracting Authority.

- 1.7 The provisions regarding "Joint Management Actions" in these General Conditions may be applied if provided for in the Special Conditions and where at least one of the following conditions is met:

- the performance of the Action requires the pooling of resources from a number of donors, and it is not reasonably possible or appropriate to assign the share contributed by each donor to each type of expenditure (hereinafter, "Multi-donor Actions"), or
- the European Commission and the Organisation are bound by a long-term framework agreement laying down the administrative and financial arrangements for their cooperation; or
- the European Commission and the Organisation have jointly assessed the feasibility and defined the terms for implementation of the Action.

- 1.8 Where the European Commission is not the Contracting Authority, it shall not be a party to this Agreement, which shall only confer on it rights and obligations where explicitly stated. It will nevertheless endorse the Agreement to ensure that the Contracting Authority's contribution is actually paid by the EU budget, and the provisions on visibility in this Agreement will apply accordingly.

Article 2 - OBLIGATIONS REGARDING INFORMATION AND FINANCIAL AND NARRATIVE REPORTS

- 2.1 The Organisation shall provide the Contracting Authority with full information on the implementation of the Action. To that end, the Organisation shall provide before signature of this Agreement a work plan for the first period of implementation specified in the Description of the Action. The Organisation shall also draw up progress reports and a final report. These reports shall consist of a narrative part and a financial part. Reporting, narrative as well as financial, shall cover the whole of the Action, regardless of whether this Action is wholly financed or co-financed by the Contracting Authority.
- 2.2 The Contracting Authority may request additional information at any time, providing the reasons for the request. Such information shall be supplied within 30 days of the request.

- 2.3 The Organisation shall send progress reports to the Contracting Authority in accordance with the provisions below. Every report shall provide a complete account of all aspects of implementation for the period covered.

The report shall be laid out in such a way as to allow comparison of the objective(s), the means envisaged or employed (in particular separate information on the amounts subject to legal commitment and on costs incurred by the Organisation, and where applicable, its partners), the results expected and obtained and the budget details for the Action. The level of detail in any report should match that of the Description of the Action and of the Budget for the Action.

- 2.4 The narrative report shall directly relate to this Agreement and shall at least include:

- Summary and context of the Action;
- Activities carried out during the reporting period (i.e. directly related to the Action and activities described in this Agreement);
- Difficulties encountered and measures taken to overcome problems;
- Changes introduced in implementation;
- Achievements and results measured in accordance with the performance indicators prescribed in this Agreement;
- Work plan for the following period including objectives and performance indicators of achievement. If the report cannot be sent before the end date fixed for the period covered by the preceding work plan, a new work plan, albeit provisional, shall be provided before such date.

- 2.5 The final report shall contain the above information on the activities and results of the Action (except for a work plan mentioned in the last indent, without purpose at the end of the Action) covering the whole Implementation Period, information on the measures taken to identify the European Union as the source of financing, and details on the transfers of assets provided for in Article 7.3 if relevant, plus a full summary of the Action's income, contributions received and cost incurred.

- 2.6 The reports shall be presented in the same language as this Agreement. They shall be submitted at the following intervals:

if payments follow option 1 in Article 15.1:

- a progress report shall be forwarded to the Contracting Authority at the end of every 12-month period, where the Implementation Period of this Agreement is longer;
- a final report shall be forwarded to the Contracting Authority within six months of the end of the Implementation Period of this Agreement as defined in Article 2 of the Special Conditions;

if payments follow option 2 in Article 15.1:

- a progress report shall accompany every request for pre-financing or interim payments;

- the final report shall be forwarded to the Contracting Authority within six months of the end of the Implementation Period of this Agreement as defined in Article 2 of the Special Conditions.
- 2.7 Reports shall be submitted in Euro and in the holding currency used by the Organisation, and may be drawn from financial statements denominated in other currencies as per the Organisation's legislative requirements. In such case and for the purpose of reporting, conversion into Euro shall be made using the rate of exchange at which the Contracting Authority's contribution was recorded in the Organisation's accounts (weighted average), unless otherwise specified in article 4(3) of the Special Conditions.
- 2.8 Any additional reporting requirement shall be set out in the Special Conditions.
- 2.9 If the Organisation fails to supply a final report by the final report deadline laid down in Article 2.6, and fails to furnish an acceptable written explanation of the reasons why it is unable to comply with this obligation, the Contracting Authority may refuse to pay any outstanding amount and recover any amounts unduly paid.

Furthermore, where the Organisation fails to present a progress report and where relevant a request for payment by the end of each 12-month period following the date laid down in Article 2(2) of the Special Conditions, the Organisation shall inform the Contracting Authority of the reasons why it is unable to do so, and shall provide a summary of the state of progress of the Action. If the Organisation fails to comply with this obligation, the Contracting Authority may terminate the Agreement in accordance with the first indent of Article 12.2, refuse to pay any outstanding amount and recover any amounts unduly paid.

- 2.10 In addition to the above mentioned reports, the Organisation will ensure that progress and situation reports, publications, press releases and updates, relevant to this Agreement, are communicated to the Contracting Authority as and when they are issued.

The Organisation and the Contracting Authority will further endeavour to promote close collaboration and exchange of information on the Action. The Organisation will invite the European Commission to join any donor committee which may be set up in connection with Multi-Donor Actions.

- 2.11 In any event the Organisation shall inform the Contracting Authority without delay of any circumstances likely to hamper or delay the implementation of the Action.

Article 3 - LIABILITY

- 3.1 The Organisation shall have sole responsibility for complying with all legal obligations incumbent on it.
- 3.2 The Contracting Authority may not under any circumstances or for any reason whatsoever be held liable for damage or injury sustained by the staff or property of the Organisation while the Action is being carried out, or as a consequence of the Action. Therefore, the Contracting Authority may not accept any claim for compensation or increases in payment in connection with such damage or injury.

- 3.3 Subject to the rules governing the Organisation's privileges and immunities, the Organisation shall assume sole liability towards third parties, including liability for damage or injury of any kind sustained by them in respect of or arising out of the Action. The Organisation shall discharge the Contracting Authority of all liability associated with any claim or action brought as a result of an infringement by the Organisation or the Organisation's employees or individuals for whom those employees are responsible of rules or regulations, or as a result of violation of a third party's rights.

Article 4 - CONFLICT OF INTERESTS

The Organisation shall take all necessary precautions to avoid conflicts of interests and shall inform the Contracting Authority without delay of any situation constituting or likely to lead to any such conflict.

There is a conflict of interests where the impartial and objective exercise of the functions of any person implementing this Agreement is compromised for reasons involving family, emotional life, political or national affinity, economic interest or any other shared interest with another party such as a contractor or grant beneficiary, or the final recipients of funds.

Article 5 - CONFIDENTIALITY

Subject to Article 16, the Contracting Authority and the Organisation shall preserve the confidentiality of any document, information or other material directly related to this Agreement and duly classified as confidential, until at least five years after the end date as specified in Article 12.5. Where the European Commission is not the Contracting Authority, it shall still have access to all documents communicated to the Contracting Authority, and will maintain the same confidentiality.

Article 6 - VISIBILITY AND TRANSPARENCY

- 6.1 Unless the European Commission requests or agrees otherwise, the Organisation shall take all appropriate measures to publicise the fact that the Action has received funding from the European Union. Information given to the press, the beneficiaries of the Action, all related publicity material, official notices, reports and publications, shall acknowledge that the Action was carried out "with funding by the European Union" and shall display in an appropriate way the European logo (twelve yellow stars on a blue background). Such measures will be carried out in accordance with the Communication and Visibility Manual for EU External Actions laid down and published by the European Commission, or any other guidelines agreed between the European Commission and the Organisation.

It is understood that the Organisation's equipment and vehicles may routinely carry its emblem and other indications of ownership prominently displayed. In cases where equipment or vehicles and major supplies have been purchased using funds provided by the European Union, the Organisation shall display appropriate acknowledgement on such vehicles, equipment and major supplies (including display of the European logo). Where such display could jeopardise the Organisation's privileges and immunities or the safety and security of the Organisation's staff, the Organisation shall propose appropriate alternative arrangements.

- 6.2 The size and prominence of the acknowledgement and European Union logo shall be clearly visible in a manner that does not create any confusion regarding the identification of the Action as an Activity of the Organisation, the ownership of the equipment and supplies by the Organisation, and the application to the Action of the Organisation's privileges and immunities.
- 6.3 All publications by the Organisation pertaining to the Action, in whatever form and whatever medium, including the internet, shall carry the following or a similar disclaimer: "This document has been produced with the financial assistance of the European Union. The views expressed herein can in no way be taken to reflect the official opinion of the European Union."
- 6.4 If the equipment bought with a European Union contribution is not transferred to local partners of the Organisation or the final recipient of the Action at the latest when submitting the final report, the visibility requirements as regards this equipment (in particular display of the European logo) shall continue to apply between submission of the final report and the end of the overall project, programme or action of the Organisation, if the latter is longer.
- 6.5 Publicity pertaining to European Union contributions shall quote these contributions in Euro (€ or EUR), in parenthesis if necessary. The Organisation's publications and reports prepared in response to, and in accordance with, its legislative directives are excluded from this provision.
- 6.6 The Organisation accepts that the Contracting Authority and the European Commission (where it is not the Contracting Authority) publish in any form and medium, including on their websites the name and address of the Organisation, the purpose of the contribution as well as the amount contributed and if relevant the percentage of co-financing.

Upon a duly substantiated request by the Organisation, the European Commission may agree to forego such publicity if disclosure of the above information would risk threatening the Organisation's safety or harming its interests.

- 6.7 With due regard to the applicable rules on confidentiality, security and protection of personal data, the Organisation shall publish, on an annual basis, on its website, the following information on grant and procurement contracts exceeding EUR 15.000 financed by the Contracting Authority: title of the contract/project, nature and purpose of the contract/project, name and locality of the contractor or grant beneficiary and amount of the contract/project. The term "locality" shall mean the address for legal persons and the Region on NUTS¹ 2 level, or equivalent, for natural persons.
- 6.8 The Organisation shall provide to the Contracting Authority the address of the website where this information can be found and shall authorise the publication of such address in the Contracting Authority's internet site.

The Organisation ensures that the obligation to publish this information shall be also applied by its implementing partners as described in Annex I of this Agreement, with

¹ Nomenclature of Territorial Units for Statistics, available at:
<http://ec.europa.eu/eurostat/ramon>

regard to their own grant and procurement contracts financed by the Contracting Authority.

Article 7 - OWNERSHIP/USE OF RESULTS AND EQUIPMENT

- 7.1 Ownership, title and industrial and intellectual property rights in the results of the Action and the reports and other documents relating to it shall vest in the Organisation, as the case may be together with third parties or as may otherwise be agreed by the Organisation.
- 7.2 Notwithstanding the provisions of the first paragraph and subject to Article 5, the Organisation shall grant the Contracting Authority (and the European Commission where it is not the Contracting Authority) the right to use free of charge and as it sees fit all documents deriving from the Action, whatever their form, provided it does not thereby breach existing industrial and intellectual property rights.
- 7.3 Unless otherwise specified in the Special Conditions, the equipment, vehicles and supplies paid for by the Contracting Authority's funding shall be transferred to local authorities or local partners (excluding commercial contractors) of the Organisation or to the final recipients of the Action at the latest when submitting the final report. The documentary proof of those transfers shall be kept for verification along with the documents mentioned in Article 16.3.

By way of derogation from the preceding paragraph, the equipment, vehicle and supplies purchased in the framework of multi-donor actions which continue after the end of the Implementation Period of this Agreement, may be transferred to these local authorities, partners or final recipients at the end of the project, programme or action of the Organisation. The Organisation pledges to use the assets to the benefit of those benefiting from the present Action. The Organisation shall inform the Contracting Authority on the end use of the assets in the final report.

In the event that there are no local authorities or partners to whom the equipment, vehicles and supplies could be transferred, the Organisation may transfer the assets to another action funded by the European Union or Contracting Authority or, exceptionally, retain ownership of the equipment, vehicles and supplies at the end of the Action. In such cases, it should submit a justified written request with an inventory listing the items concerned and a proposal concerning their use in due time and at the latest with the submission of the final report. In no event may the end use jeopardize the sustainability of the Action or result in a profit for the Organisation.

Article 8 - EVALUATION OF THE ACTION

- 8.1 Representatives of the European Commission shall be invited to participate in the main monitoring and in the evaluation missions relating to the performance of the Action. The results of such missions shall be reported to the European Commission.
- 8.2 Article 8.1 is without prejudice to any evaluation mission which the European Commission as a donor may wish to perform. Evaluation missions by representatives of the European Commission should be planned and completed in a collaborative manner between the Organisation's staff and the European Commission's representatives, keeping in mind the commitment of the Parties to the effective and efficient operation of this Agreement. These missions are to be planned ahead and procedural matters are to

be agreed upon by the European Commission and the Organisation in advance. The mission will offer to make a draft of its report available to the Organisation for comments prior to final issuance.

Article 9 - AMENDMENT OF THE AGREEMENT

- 9.1 Any modification to the Agreement, including the annexes thereto, shall be set out in writing in an amendment. This Agreement can only be modified during the execution period set out in Article 2(4) of the Special Conditions.

If the request for an amendment comes from the Organisation, the latter shall submit that request to the Contracting Authority one month before the amendment is intended to enter into force, and in any case no later than one month before the end of the execution period, unless there are special circumstances duly substantiated by the Organisation and accepted by the Contracting Authority.

- 9.2 Where a modification to the Description of the Action and/or the Budget does not affect the basic purpose of the Action and the financial impact is limited to a transfer within a single budget heading, including cancellation or introduction of an item, or a transfer between budget headings involving a variation (as the case may be in cumulative terms) of 15 % or less of the amount originally entered (or as modified by a formal amendment) in relation to each concerned heading for eligible costs, the Organisation may amend the Budget and shall inform the Contracting Authority accordingly in writing. This method shall not be used to amend headings for administrative costs or the contingency reserve.

Changes of address and changes of bank account may simply be notified in writing to the Contracting Authority. Changes of bank account must be specified in the request for payment, using the financial identification form attached as Annex IV.

- 9.3 An amendment shall not have the purpose or the effect of making changes that would call into question the award decision. In cases the Agreement follows a call for proposals the amendment may not be contrary to the equal treatment of applicants or increase the maximum amount referred to in Article 3.2 of the Special Conditions.

Article 10 - CONTRACTING

- 10.1 If parts of the Action are contracted, the contracting arrangements, including in particular the principles for the award of procurement and grants, shall be as specified in the Description of the Action. If they are not specified therein, the Organisation will present them to the Contracting Authority as soon as they are available. The Organisation will also inform the Contracting Authority, with as much prior notice as possible, of changes in these arrangements. The Organisation will provide detailed information on contracting arrangements in the final report.

- 10.2 Unless otherwise agreed by the Parties in writing, the procurement of any goods, works or services and the award of grants by the Organisation and its partners in the context of the Action shall be carried out in accordance with the applicable rules and procedures adopted by the Organisation.

This is based on the understanding that the Organisation's rules and procedures conform to internationally accepted standards, in compliance with the principles of transparency,

proportionality, sound financial management, equal treatment and non discrimination, care being taken to avoid any conflict of interests.

Without prejudice to the specific procedures and exceptions applied by the Organisation, the award by the Organisation of grants financed by the Contracting Authority's contribution shall comply with the following principles:

- grants shall not be cumulative, awarded retrospectively or have the purpose or effect of producing a profit for the grant beneficiary;
- grants must involve co-financing from other donors, save in cases of humanitarian and crisis situation, the protection of health and fundamental rights of people, where the grant beneficiaries are third countries or other international organisations and where it is in the interest of the European Union to be the sole donor.

10.3 Unless otherwise provided for in the Special Conditions, the origin of the goods and the nationality of the organisations, companies and experts selected for carrying out activities in the Action shall be determined in accordance with the Organisation's relevant rules. However, and in any event goods, organisations, companies and experts eligible under the applicable regulatory provisions of the European Union shall be eligible.

10.4 The Organisation shall adopt reasonable measures, in accordance with its own procedures, to ensure that potential candidates or tenderers and grant beneficiaries shall be excluded from the participation in a procurement or award procedure financed by the Contracting Authority's contribution, if :

- a. they are bankrupt or being wound up, are having their affairs administered by the courts, have entered into an arrangement with creditors, have suspended business activities, are the subject of proceedings concerning those matters, or are in any analogous situation arising from a similar procedure provided for in national legislation or regulations;
- b. they or persons having powers of representation, decision making or control over them have been convicted of an offence concerning their professional conduct by a judgement of a competent authority of a Member State which has the force of res judicata;
- c. they or persons having powers of representation, decision making or control over them have been the subject of a judgement which has the force of res judicata for fraud, corruption, involvement in a criminal organisation, money laundering or any other illegal activity detrimental to the EU's financial interests;
- d. they are guilty of misrepresentation in supplying the information required as a condition of participation in the procedure or if they fail to supply this information.
- e. they are subject to a conflict of interests.

The Organisation shall inform the European Commission when a candidate or tenderer is in one of the situations under point (c) or when a contractor financed from the present contribution has been found guilty of making false declarations or committing substantial errors, irregularities and fraud.

Without prejudice to the power of the European Commission or of the Contracting Authority to exclude an entity from future contracts and grants financed by the EU, financial penalties may be imposed to contractors by the Organisation according to its own rules and procedures.

- 10.5 In the event of failure to comply with the above provisions the relevant costs may be declared ineligible for funding by the Contracting Authority or by the European Commission, at the latest before acceptance of the Final Report.

Article 11 - IMPLEMENTATION PERIOD OF THE AGREEMENT, SUSPENSION, FORCE MAJEURE

- 11.1 Irrespective of the starting date and implementation period of the project, programme or action of the Organisation, the Implementation Period of this Agreement shall be as set out in Article 2 of the Special Conditions.
- 11.2 The individual contracts implementing the Action under this Agreement shall be concluded as specified in Article 2.5 of the Special Conditions. This contracting deadline also applies to all the individual contracts signed by the Implementing partner(s). After this contracting deadline and up to submission of Final Report, only contracts concerning final audits, evaluation, closure activities and individual contracts concluded after early termination of an existing contract may be concluded. The deadline for conclusion of individual contracts implementing the Action under the Agreement set out in Article 2.5 of the Special Conditions cannot be extended.
- 11.3 The Organisation may suspend without delay implementation of all or part of the Action if circumstances so require, in particular in case of *force majeure*, and informs the Contracting Authority immediately providing all the necessary details. This Agreement may be terminated in accordance with Article 12.1. If the Agreement is not terminated, the Organisation shall endeavour to minimise the duration of the suspension and may resume implementation of the Action once the conditions allow, and shall inform the Contracting Authority accordingly.
- 11.4 The Contracting Authority may request the Organisation to suspend implementation of all or part of the Action if circumstances so require in particular in cases of *force majeure* and in cases such as crisis entailing a change of policy. This Agreement may then be subsequently terminated in accordance with Article 12.1. If the Agreement is not terminated, the Organisation and the Contracting Authority shall endeavour to minimise the duration of the suspension and shall resume implementation of the Action once the conditions allow, with the prior written approval of the Contracting Authority.
- 11.5 The Implementation Period of this Agreement is automatically extended by an amount of time equivalent to the duration of the suspension. This is without prejudice to any amendments to the Agreement which may be necessary to adapt the Action to the new implementing conditions or to Article 12.1, or to a termination in accordance with Article 12.1.
- 11.6 *Force majeure* shall mean any unforeseeable exceptional situation or event beyond the Parties' control which prevents either of them from fulfilling any of their obligations under this Agreement, was not attributable to error or negligence on their part (or of their partners, contractors, agents or employees), and could not have been avoided by the exercise of due diligence. Defects in equipment or material or delays in making them

available, labour disputes, strikes or financial problems cannot be invoked as *force majeure* by the defaulting party. Neither of the Parties shall be held liable for breach of its obligations under the Agreement if it is prevented from fulfilling them by *force majeure*. Without prejudice to Articles 11.3 and 11.4 above, the Party invoking *force majeure* shall notify the other without delay, stating the nature, likely duration and foreseeable effect, and take any measure to minimise possible damage.

Article 12 - TERMINATION OF THE AGREEMENT

12.1 If, at any time, either Party believes that the purposes of this Agreement can no longer be effectively or appropriately carried out, it shall consult the other Party. Failing agreement on a solution, either Party may terminate this Agreement by serving two months' written notice. In this event, the Organisation shall be entitled to payment of the contribution only for the part of the Action carried out, and to reimbursement of commitments entered into by the Organisation for the implementation of the Action, which the Organisation cannot reasonably terminate on legal grounds. The part of the EU contribution unspent or not spent in accordance with this Agreement, shall be recovered by the Contracting Authority in accordance with Articles 17 and 18, after all liabilities incurred by the Organisation have been satisfied, including interest earned where applicable.

12.2 Where the Organisation:

- fails, without justification, to fulfil any of the obligations incumbent on it and, after being given notice by letter to comply with those obligations, still fails to do so or to furnish a satisfactory explanation within 30 days of sending of the letter;
- fails to comply with articles 1.5, 1.6 or 4;
- makes false or incomplete statements to obtain the contribution provided for in the Agreement or provides reports that do not reflect reality;
- commits financial irregularities or is guilty of grave professional misconduct;
- undergoes legal, financial, technical or organisational change that is liable to affect this Agreement substantially or to call the award decision into question;

the Contracting Authority will enter into discussions with the Organisation and, failing a proper solution within one month, may terminate this Agreement, after giving seven days' notice, and without paying compensation of any kind. In that event the Contracting Authority may demand full or partial repayment of any amounts unduly paid, after allowing the Organisation to submit its observations.

12.3 Prior to or instead of terminating the Agreement as provided for in Article 12.2, the Contracting Authority may suspend payments or the declaration of eligibility of expenses as a precautionary measure, informing the Organisation immediately.

12.4 This Agreement shall be automatically terminated if it has not given rise to a payment by the Contracting Authority (including pre-financing) within two years of its signature.

12.5 Unless this Agreement is terminated earlier pursuant to Article 12, the payment obligations of the European Union hereunder shall cease at the "end date", which shall

occur 18 months after the end of the Implementation Period as defined in Article 2 of the Special Conditions.

The Contracting Authority shall notify the Organisation of any postponement of the end date. The Contracting Authority shall postpone the end date, so as to be able to fulfil its payment obligations, in all cases where the Organisation has filed the payment request in accordance with contractual provisions or, in case of dispute, until completion of the dispute settlement procedure provided for in Article 13.

Article 13 - SETTLEMENT OF DISPUTES

- 13.1 The Parties shall endeavour to settle amicably any dispute or complaint relating to the interpretation, application or fulfilment of this Agreement, including its existence, validity or termination. In default of amicable settlement, any Party may refer the matter to arbitration in accordance with the Permanent Court of Arbitration Optional Rules for Arbitration Involving International Organisations and States in force at the date of conclusion of this Agreement.
- 13.2 The appointing authority shall be the Secretary General of the Permanent Court of Arbitration following a written request submitted by either Party. The Arbitrator's decision shall be binding on all Parties and there shall be no appeal.
- 13.3 Nothing in this Agreement shall be interpreted as a waiver of any privileges or immunities accorded to any Party hereto by its constituent documents or international law.

FINANCIAL PROVISIONS

Article 14 - ELIGIBLE COSTS

- 14.1 To be considered eligible as direct costs under this Agreement, costs must:
 - be necessary for carrying out the Action, be provided for specifically in this Agreement and comply with the principles of sound financial management, in particular value for money and cost-effectiveness;
 - have been actually incurred during the Implementation Period of this Agreement as defined in Article 2 of the Special Conditions, whatever the time of actual disbursement by the Organisation, in particular:
 - (i) Costs relating to services and works properly provided shall relate to activities performed during the implementation period. Costs relating to supplies shall relate to delivery and installation of items during the implementation period. Consequently, cash transfers between the Organisation and its partners, signature of a contract, placing of an order, or entering into any commitment for future delivery of services, works or supplies undertaken before or after expiry of the implementation period do not meet this requirement.
 - (ii) Except for multi-donor actions, costs incurred should be paid before the submission of the final reports. They may be paid afterwards, provided they are listed in the final report together with the estimated date of payment.

- (iii) An exception is made for costs relating to final reports, including expenditure verification, audit and final evaluation of the Action, which may be incurred after the implementation period of the Action.
 - (iv) Procedures to award contracts, as referred to in Article 10, may have been initiated and contracts may be concluded by the Organisation and its partners before the start of the implementation period of the Action.
- be recorded in the Organisation's or Organisation's partners' accounts, be identifiable, backed by effective supporting evidence (originals, as the case may be in electronic form), and verifiable pursuant to the provisions of Article 16.4.

14.2 Subject to the above and without prejudice to Article 10.5, the following direct costs of the Organisation or its implementing partners may in particular be eligible:

- the cost of staff assigned to the Action, corresponding to actual salaries plus social security charges and other remuneration-related costs (including in the form of provisions made in accordance with the Organisation accounting rules in case of Joint Management Action). Identifiable personnel costs at headquarters level arising as a direct consequence of the Action may be included. Salaries and costs shall not exceed those normally borne by the Organisation or partners;
- travel and subsistence costs for staff taking part in the Action, provided they do not exceed those normally borne by the Organisation or partners;
- purchase costs for equipment (new or used) which are attributable to the Action;
- purchase costs for goods and services (transport, storage and distributing, rent of equipment, etc.) which are directly attributable to the Action;
- costs directly arising out of, or related to, accepting or distributing contributions in kind;
- costs of consumables and supplies directly attributable to the Action;
- expenditure on contracting directly attributable to the Action;
- the proportion of field office costs that corresponds to the amount of activity directly attributable to the Action or to the proportion of funding by the Contracting Authority;
- costs deriving directly from the requirements of this Agreement (dissemination of information, evaluation specific to the Action, specific reporting for the needs of the Contracting Authority, translation, reproduction, insurance, targeted training for those involved in the Action, etc.) including financial service costs (in particular bank fees for transfers).
- taxes, duties and charges, including VAT, actually paid and that the Organisation cannot reclaim (or, where applicable, its partners), unless otherwise provided in the Special Conditions.

14.3 The following costs shall not be considered eligible:

- debts and debts service charges;
- provisions for losses or potential future liabilities;
- interest owed by the Organisation to any third party;
- items already financed from other sources;
- purchases of land or buildings;
- currency exchange losses.

14.4 Indirect costs are eligible provided that they do not include costs assigned to another heading of the budget of this Agreement.

Indirect costs may be charged on the value of in-kind commodities delivered by the Contracting Authority, including their associated costs.

A fixed percentage of direct eligible costs, not exceeding 7 %, may be claimed as indirect costs by the Organisation to cover the administrative overheads incurred for the Action. Funding in respect of indirect costs does not need to be supported by accounting documents.

Subject to the above, for comparable Actions and Actions where there is more than one donor the amount claimed as indirect costs shall not, in percentage terms, be higher or lower than for other comparable contributions.

Where the rates applied in accordance with the Organisation's governing bodies' decisions exceed 7%, the Organisation may recover the balance as direct eligible costs, subject to the provisions governing direct eligible costs referred to in this Article 14 being fulfilled.

Indirect costs shall not be eligible where the Agreement concerns the financing of an action where the Organisation is already receiving an operating grant from the European Union during the period in question.

14.5 Any contingency reserve included in the Budget of the Action, to cover any adjustment necessary in the light of changed circumstances on the ground, may not exceed 5% of eligible costs and shall only be used with the prior written (by letter) authorisation of the Contracting Authority, upon a duly justified request from the Organisation through an exchange of letters.

14.6 Contributions in kind made by the Organisation or its partners may be considered neither as co-financing nor as eligible costs. The cost of staff assigned to the Action is not a contribution in kind and may be considered as co-financing in the Budget for the Action when paid by the Organisation or its partners.

Article 15 - PAYMENTS

15.1 Payment procedures are set out in Article 4 of the Special Conditions and follow one of the two options below:

Option 1: When the implementation period of the Agreement does not exceed 12 months or the contribution is less than EUR 100 000

The Contracting Authority will provide a pre-financing from 80% up to 95% of the sum referred to in Article 3(2) of the Special Conditions less contingencies within 30 days of receiving the Agreement signed by both Parties.

The Contracting Authority will pay the balance within 90 days of receiving a request for payment accompanied by a final report. Approval of the report will be done within 45 days and in accordance with Article 15.2. The Contracting Authority will pay the balance within 45 days of approving the final report.

Option 2: When the implementation period of the Agreement exceeds 12 months and the contribution is of EUR 100 000 or more

The Contracting Authority will provide a pre-financing from 80% to 95% of that part of the budget for the first 12 months of the Action which is being financed by it (excluding contingencies) within 30 days of receiving the Agreement signed by both Parties.

Each further instalment will consist of (1) an interim payment that will cover the remainder of the Contracting Authority's part of the budget for the previous period (including any approved contingencies) and (2) a pre-financing from 80% to 95% of that part of the budget for the subsequent 12-month period (or of the remaining period if shorter as regards the last instalment of pre-financing) which is financed by it (excluding contingencies), provided that at least 70% of the immediately preceding instalment (and 100% of previous instalments if any) has been subject to a legal commitment between the organization or its partner and a third party as proven by the relevant report.

The instalments and final payment will be made by the Contracting Authority within 90 days of receiving a request for payment accompanied by a progress or final report. Approval of any report will be done within 45 days and in accordance with Article 15.2. The Contracting Authority will then pay within 45 days of approving the progress or final report.

- 15.2 Any report will be deemed approved 45 days after receipt, accompanied by a request for payment conforming to the model attached as Annex V, if the Contracting Authority has not reacted.

If the Contracting Authority does not intend to approve a report, as submitted, it shall revert to the Organisation with a request explaining the reason and specifying the additional information it requires within the first 45-day period. The deadline for approving the report shall be suspended pending the receipt of the requested information. If the Contracting Authority deems that a payment request cannot be met, it shall revert to the Organisation with a request explaining the reason and specifying the additional information it requires within the second 45-day period. The payment period shall be suspended pending the registration of a properly formulated payment request.

Reports shall be presented in accordance with Article 2.

Approval of a report does not imply recognition of the regularity, authenticity, completeness and correctness of the declarations and information contained therein.

- 15.3 On expiry of the payment period specified in Article 15.1, the Organisation, shall receive interest on late payment at the rate applied by the European Central Bank to its principal refinancing operations, as published in the C series of the Official Journal of the European Union on the first day of the month in which payment was due, increased by three and a half percentage points.

The interest shall be payable for the period elapsing from the day following expiry of the time limit for payment up to the day of payment. Any partial payment shall first cover the interest.

By way of exception, when the interest calculated in accordance with this provision is lower than or equal to EUR 200, it will be paid to the Organisation only upon demand submitted within two months of receiving late payment.

The interest shall not be treated as an income for the purposes of determining the final amount of European Union financing within the meaning of article 17. The suspension of payment by the Contracting Authority may not be considered as late payment.

- 15.4 The level of pre-financing referred to in Article 15.1 above shall be set at a level of between 80% and 95 % in 5% increments taking into account past record of the Organisation in particular as regards timely submission of the final report.
- 15.5 The Contracting Authority will make payments in Euro into the bank account referred to in the financial identification form in Annex IV. Where payment is to be made to a bank account which is already known to the Contracting Authority, the Organisation may provide a copy of the relevant financial identification form.
- 15.6 Where feasible, the funds paid by the Contracting Authority shall be maintained in Euro denominated bank accounts. They may be pooled together with contributions from other donors. They may be exchanged for other currencies in order to facilitate their disbursement.
- 15.7 Where according to the Special Conditions interest earned by the Organisation on funds received from the Contracting Authority is due, it shall be deducted from the payment of the balance, re-used for the Action or recovered by the Contracting Authority. In that case, interest shall be identified as such and reflected in reports to the Contracting Authority.

Article 16 - ACCOUNTS AND TECHNICAL AND FINANCIAL CHECKS

- 16.1 The Organisation shall keep accurate and regular records and accounts of the implementation of the Action. Separate accounts or sub-accounts shall be kept for each Action, and shall detail all income generated by the Action, donor contributions and expenditure.

The accounting regulations and rules of the Organisation shall apply, provided that these regulations and rules conform to internationally accepted standards.

- 16.2 Financial transactions and financial statements shall be subject to the internal and external auditing procedures laid down in the Financial Regulations, Rules and directives of the Organisation. A copy of the audited financial statements shall be submitted to the European Commission by the Organisation.

- 16.3 The Organisation shall, until at least five years after the end date as specified in article 12.5:
- keep financial accounting documents concerning the activities financed by the contribution and,
 - make available to the competent bodies of the European Union, upon request, all relevant financial information, including statements of accounts concerning the Action, whether they are executed by the Organisation or by its implementing partners or contractors.
- 16.4 In conformity with its financial regulations, the European Union, including its Court of Auditors, may undertake, including on the spot, checks related to the Actions financed by the Contracting authority.
- 16.5 These provisions shall be applied in accordance with any specific agreement concluded in this respect by the Organisation and the European Union.

Article 17 - FINAL AMOUNT OF FINANCING BY THE CONTRACTING AUTHORITY

- 17.1 The total final amount to be paid by the Contracting Authority to the Organisation shall not exceed the maximum contribution established by Article 3(2) of the Special Conditions, even if the overall costs incurred exceed the estimated total budget set out in Annex III.
- 17.2 Where Article 3(2) of the Special Conditions sets out a maximum percentage of estimated total eligible cost to be financed by the Contracting Authority, and if the eligible costs at the end of the Action are less than the estimated total cost specified in Article 3(1) of the Special Conditions, the contribution of the Contracting Authority shall be limited to the amount resulting from multiplying the eligible costs by the percentage laid down in Article 3(2) of the Special Conditions.

Where the percentage set out in article 3(2) of the Special Conditions is likely to change in the course of implementation, the Organisation shall consult the Contracting Authority without delay so as to agree on appropriate measures, in accordance with Article 9.

- 17.3 The Organisation accepts that the contribution of the Contracting Authority shall be limited to the amount required to balance income generated by the Action, donor contributions and expenditure for the Action and that it may not in any circumstances result in a surplus for the Organisation.

In the event of a final surplus balance of total financing over expenditures at the financial closure of the Action, the Organisation shall specify in the final report the amount of the surplus balance in the holding currency used by the Organisation together with the estimated amount in Euro and where the exchange rate of the Organisation can be consulted. This surplus in the Organisation's accounts expressed in holding currency used by the Organisation shall be converted into Euro using the rate of exchange of the Organisation in force on the day when the Contracting Authority's internal recovery order is established, which amount is later reflected in the debit note sent to the Organisation. The resulting Euro equivalent shall then be refunded to the Contracting Authority. This provision shall not apply to the exchange rates used for reporting.

- 17.4 In cases where the Action is suspended or not completed within the Implementation Period of this Agreement, the funds that remain unexpended after all liabilities incurred in this period have been satisfied will be reimbursed to the Contracting Authority, including, where applicable, interest earned.
- 17.5 Where the Action is not carried out at all, or is not carried out properly, in full or on time and without prejudice to its right to terminate this Agreement pursuant to Article 12.2, the Contracting Authority may, after allowing the Organisation to submit its observations and without prejudice to Article 13, reduce the contribution pro rata the actual implementation of the Action on the terms laid down in this Agreement.

Article 18 - RECOVERY

- 18.1 Where recovery is justified, the Organisation shall repay to the Contracting Authority within 45 days of the issuing of a letter (debit note) by which the Contracting Authority reclaims from the Organisation, any amounts paid in excess of the final amount due.
- 18.2 If the Organisation fails to repay by the due date, the sum due shall bear interest at the rate indicated in article 15.3. The interest shall be payable for the period elapsing from the day following expiry of the time limit for payment up to the day of payment. Any partial payment shall first cover the interest.
- 18.3 Amounts to be repaid to the Contracting Authority may be offset against amounts of any kind due to the Organisation, after informing it accordingly. The Organisation's prior consent is not required. This shall not affect the Parties' option to agree on payment in instalments.
- 18.4 Bank charges incurred from the repayment of amounts due to the Contracting Authority shall be borne entirely by the Organisation.

BUDGET FOR THE ACTION

Implementation Modalities	Project Result/Component	Specific Costs	EU Contribution (EUR €)	
Joint Management (Contribution Agreement with CDB)	Result 2 Improved National and Regional Resilience through Strengthened Early Warning, National Risk Profiling and Community-based Disaster Risk Reduction	DiMSOG	3,000,000	
		CDRRF	1,590,000	
	Result 3 Sector Resilience Strengthened in Key Sectors	Sectoral Resilience	4,800,000	
		KAP	600,000	
	Project management/CDB's Administration Costs	Operating costs (including staff)	1,500,000	
		7% Indirect costs	804,300	
			Total	12,294,300



FINANCIAL IDENTIFICATION

PRIVACY STATEMENT

http://ec.europa.eu/budget/library/execution/privacy_statement_en.pdf

ACCOUNT NAME (3)			
ACCOUNT NAME (1)	<input style="width: 80%;" type="text"/>		
	<input style="width: 80%;" type="text"/>		
ADDRESS	<input style="width: 80%;" type="text"/>		
	<input style="width: 80%;" type="text"/>		
TOWN/CITY	<input style="width: 30%;" type="text"/>	POSTCODE	<input style="width: 20%;" type="text"/>
COUNTRY	<input style="width: 70%;" type="text"/>		

(1) The name or title under which the account has been opened and not the name of the authorized agent

CONTACT	<input style="width: 80%;" type="text"/>		
TELEPHONE	<input style="width: 25%;" type="text"/>	FAX	<input style="width: 25%;" type="text"/>
E - MAIL	<input style="width: 80%;" type="text"/>		

<u>BANK</u>			
BANK NAME	<input style="width: 80%;" type="text"/>		
	<input style="width: 80%;" type="text"/>		
BRANCH ADDRESS	<input style="width: 80%;" type="text"/>		
	<input style="width: 80%;" type="text"/>		
TOWN/CITY	<input style="width: 30%;" type="text"/>	POSTCODE	<input style="width: 20%;" type="text"/>
COUNTRY	<input style="width: 70%;" type="text"/>		
ACCOUNT NUMBER	<input style="width: 80%;" type="text"/>		
IBAN (2)	<input style="width: 80%;" type="text"/>		

(2) If the IBAN Code (International Bank account number) is applied in the country where your bank is situated

REMARKS :

BANK STAMP + SIGNATURE OF BANK REPRESENTATIVE (Both obligatory)(3)

DATE + SIGNATURE OF ACCOUNT HOLDER : (Obligatory)

(3) It is preferable to attach a copy of recent bank statement. Please note that the bank statement has to provide all the information listed above under 'ACCOUNT NAME' and 'BANK'. In this case, the stamp of the bank and the signature of the bank's representative are not required. The signature of the account-holder is obligatory in all cases.

REQUEST FOR PAYMENT FOR CONTRIBUTION AGREEMENT
/WITH AN INTERNATIONAL ORGANISATION

Date of the request for payment <.....>

For the attention of

<Address of the Contracting Authority>

<Financial unit indicated in the Agreement>¹

Reference number of the Agreement: ...

Title of the Agreement: ...

Name and address of the Organisation: ...

Request for payment number: ...

Period covered by the request for payment: ...

Dear Sir/Madam,

I hereby request payment of prefinancing/interim payment/balance² under the Agreement mentioned above.

The amount requested is [as indicated in Article 4(2) of the Special Conditions of the Agreement/the following: ...]³

Please find attached the following supporting documents:

- narrative and financial progress report (for prefinancing / interim payments)
- final narrative and financial report (for payment of the balance)⁴

The payment should be made to the following bank account:...⁵

Please when making the payment indicate the following communication: ...

I hereby certify on honour that the information contained in this request for payment is full, reliable and true, that the costs incurred can be considered eligible in accordance with the Agreement and that this request for payment is substantiated by adequate supporting documents that can be checked.

Yours faithfully,

<signature>

¹ If applicable, please do not forget to address a copy of this letter to the European Union Delegation mentioned in Article 5 of the Special Conditions of the Agreement.

² Delete the options which do not apply.

³ Delete the option which does not apply.

⁴ Delete the items which do not apply.

⁵ Indicate the account number shown on the identification form annexed to the Agreement. In the event of change of bank account, please complete and attach a new identification form as per model.