

CARIBBEAN DEVELOPMENT BANK



**AFRICAN CARIBBEAN PACIFIC – EUROPEAN UNION – CARIBBEAN DEVELOPMENT
BANK NATURAL DISASTER RISK MANAGEMENT PROGRAMME
PLANNING FOR THE INTEGRATION OF CLIMATE RESILIENCE IN THE ROAD
TRANSPORT SECTOR IN THE BORROWING MEMBER COUNTRIES OF THE CARIBBEAN
DEVELOPMENT BANK - USE OF FUNDS
(ADDITIONAL FUNDING) AND REVISION IN SCOPE - REGIONAL**

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Considered at the Two Hundred and Eighty-Second Meeting
of the Board of Directors held in Barbados on July 26, 2018

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CARIBBEAN DEVELOPMENT BANK

TWO HUNDRED AND EIGHTY-SECOND MEETING OF THE BOARD OF DIRECTORS

TO BE HELD IN BARBADOS

JULY 26, 2018

PAPER BD 97/16 Add 1

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BANK NATURAL DISASTER RISK MANAGEMENT PROGRAMME
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1. BACKGROUND

1.01 At its Two Hundred and Seventy-Second Meeting held on July 21, 2016, the Board of Directors (BOD) of the Caribbean Development Bank (CDB), considered Paper BD 97/16 entitled “African Caribbean Pacific – European Union – Caribbean Development Bank Natural Disaster Risk Management Programme Planning for the Integration of Climate Resilience in the Road Transport Sector in the Borrowing Member Countries (BMCs) of CDB – Use of Funds – Regional” and approved the use of funds (UOF) of an amount not exceeding the equivalent of seven hundred and sixty-eight thousand United States dollars (USD768,000) (the Funds) from CDB’s Special Funds Resources (SFR) allocated from resources provided under the African Caribbean Pacific – European Union – Caribbean Development Bank Natural Disaster Risk Management Programme (ACP-EU-CDB NDRM) in the CARIFORUM Countries Programme, to fund consulting services in respect of the road transport sector to:

- (a) pilot, with regard to two BMCs:
 - (i) the preparation of climate risk and vulnerability assessment (CRVA) of key infrastructure and assets in the road transport sector;
 - (ii) gender-sensitive climate screening of relevant policies, plans and strategies in the sector and recommendations for integrating resilience;
 - (iii) assessment of the adaptive capacity of the works agency and other key institutions and recommendations for strengthening;
 - (iv) identification and prioritisation of sector investment needs for climate resilience; and
 - (v) the development of a roads sector resilience index to measure progress on adaptation; and

- (b) deliver awareness and training of trainers workshops on Roads Sector Resilience Assessment and Integration (the Project).

1.02 The expected outcome of the Project is strengthened capacity of CDB's BMCs to provide road infrastructure resilient to natural hazards and climate change impacts. The Project will help to identify a priority list of investments in infrastructure and other interventions that will contribute to: (a) the reduction of vulnerability to long-term impacts of natural hazards, including potential impacts of climate change, thereby contributing to regional and national sustainable development and poverty reduction goals in BMCs of CDB; and (b) incorporating gender-responsive approaches to the operation of the road transport sector; and, at the community level, strengthening mitigation, preparedness, management and coordinated responses to natural hazards and the effects of climate change. The Project will also help CDB to better support its BMCs in the implementation of policies, strategies, projects and programmes geared towards addressing challenges in the road transport sector.

1.03 CDB and the European Union (EU) held discussions regarding the use of resources from the ACP-EU-CDB NDRM Programme to support recovery efforts in BMCs affected by Hurricanes Irma and Maria. It was agreed that five hundred thousand Euros (€500,000) from ACP-EU-CDB NDRM could be committed through the amendment of existing contracts to extend current interventions in the water (€300,000) and road transport (€200,000) sectors in the affected BMCs.

2. IMPLEMENTATION STATUS

2.01 In March 2017, CDB engaged consultants (the Consultants) to undertake the Project. On the basis of their geography and risk profiles, Guyana and Saint Lucia were identified as the two BMCs that would be used as case study countries to produce outputs that would be most transferrable to other Caribbean countries. The Consultants submitted their Inception Report in April 2017. A regional road transport sector workshop was held at CDB's Headquarters in July 2017 at which current issues in the sector were discussed and the Project was introduced to stakeholders, along with the ongoing work to revise CDB's Transport Sector Policy and Strategy. To initiate CRVA activities, stakeholder workshops and consultations were held in Guyana and Saint Lucia from August 21 to September 1, 2017. The consultants completed follow-up field work in Guyana and Saint Lucia in March and April, 2018, respectively. The Final CRVA for Saint Lucia was received by CDB in June 2018. Work has also continued in parallel towards the development of an index to measure the level of resilience in the road transport sector and thereby measure progress on adaptation to climate change.

3. VARIATION

3.01 It is proposed to vary the scope of the Project by increasing, from two to three, the number of countries in which the approaches for mainstreaming resilience in the road transport sector will be developed and piloted. It is proposed that the additional country be the Commonwealth of Dominica, which was impacted by Hurricane Maria in 2017. The sector-specific tools and guidance being developed will be applied and validated in a disaster recovery scenario, broadening their utility. Surveys and mapping prepared under the Disaster Vulnerability Reduction Project, which is being implemented in Dominica with support from the World Bank, will be accessed as inputs to the Project. The methodology to be adopted in the conduct of the Project would otherwise remain unchanged. It is estimated that the implementation of the Project will be completed by March 2019. The revised Results Framework reflecting the revision in scope at Appendix 1.

4. COST OF ADDITIONAL SERVICES

4.01 The estimated cost of the additional services is two hundred thousand Euros (€200,000) and a revised summary financing plan is shown in Table 1.

TABLE 1: REVISED SUMMARY FINANCING PLAN

Budget Cost	USD	Euro (€)
Original	768,000	660,759
Additional	232,460	200,000
Revised Total	1,000,460	860,759

5. FUNDING SOURCE

5.01 CDB's UOF in an amount not exceeding the equivalent of two hundred thousand Euros (€200,000), will be financed from CDB's SFR / Other Special Funds (OSF) ACP-EU-CDB NDRM. Appendix 2 illustrates the revised budget for the activities to be undertaken.

6. JUSTIFICATION

6.01 The 2017 Atlantic Hurricane Season was among the most active seasons ever recorded, with numerous records being set¹ and nearly all seasonal tropical cyclone quantities ranking in the top 10 of records since 1851. Ten hurricanes formed among the 17 named storms, including two Category 5 hurricanes from the 6 major hurricanes (Category 3 and above). Dominica was impacted by Hurricane Maria on September 18, 2017. Post-Disaster Needs Assessments led by the World Bank indicated that in Dominica, Hurricane Maria caused damage of approximately USD930.9 million [mn] and losses of USD380.2 mn. The road transport sector suffered damage estimated at USD182.1 mn and additional losses of USD52.6 mn. Damage to the road transport system and the resulting loss of access is a key contributor to the wider economic losses in the country.

6.02 Damage to bridges and culverts from water-borne debris, blockage of drainage structures, erosion of embankments and abutments of bridges and culverts, landslides and the erosion of unpaved roads were among the main impacts to transportation infrastructure. In Dominica, much of the secondary and feeder road networks was damaged, resulting in the sustained loss of access to agricultural lands, local markets and ports, access for the transportation of labour and access for other critical social and economic activities. The extent of damage to road infrastructure was indicative of the weak resilience to the hazards that were experienced.

6.03 As in most of the BMCs, the road agency in Dominica has not mainstreamed approaches or requirements for the design, construction and management of road infrastructure that enhance resilience to the impacts from natural hazards and climate change. By adding Dominica as a pilot country, the development of the resilience toolkit will benefit from the contemporaneous experience of a BMC that has experienced severe, costly hazard impacts. Simultaneously, the sector guidance and the resilience index will strengthen the capacity of the respective agencies to prioritise investments and improve the quality and resilience of the rehabilitation and reconstruction activities that will be required in Dominica.

¹ <https://tropical.colostate.edu/media/sites/111/2017/11/2017-11.pdf> [accessed December 13, 2017]

7. PROCUREMENT

7.01 Procurement shall be in accordance with CDB's procurement procedures with respect to its UOF. The additional financing shall be provided under ACP-EU-CDB NDRM in CARIFORUM Countries and thus eligibility shall be extended to reflect the applicable eligibility provisions of the EU. The revised procurement plan is provided at Appendix 3.

8. RECOMMENDATION

8.01 It is recommended that, with respect to the UOF approved by BOD at its Two Hundred and Seventy-Second Meeting held on July 21, 2016, pursuant to Paper BD 97/16 entitled "African Caribbean Pacific – European Union – Caribbean Development Bank Natural Disaster Risk Management Programme Planning for the Integration of Climate Resilience in the Road Transport Sector in the Borrowing Member Countries of the Caribbean Development Bank – Use of Funds – Regional", BOD approves:

- (a) a revision in the scope of the Project to increase from two to three, the number of BMCs in which the approaches for mainstreaming resilience in the road transport sector under the Project will be developed and piloted (Additional Services); and
- (b) additional funding by way of UOF in an amount not exceeding the equivalent of two hundred thousand Euros (€200,000) allocated from CDB's SFR/OSF ACP-EU-CDB NDRM to finance the Additional Services.

SUPPORTING DOCUMENTATION

- Appendix 1 - Revised Results Framework
- Appendix 2 - Revised Budget
- Appendix 3 - Revised Procurement Plan

REVISED RESULTS FRAMEWORK

Design Summary	Performance Targets / Indicators	Data Sources / Reporting Mechanisms	Assumptions / Accountabilities	
1. IMPACT: Optimal investments made by BMCs towards improving the efficiency and resilience of the road transport sector.				
2. OUTCOME: 1. Strengthened capacity of BMCs to provide road infrastructure resilient to natural hazards and climate change impacts.	1. 100% of road designs by the roads agencies in the pilot BMCs reflect adopted practices influenced by the gender-responsive resilience toolkit by December 31, 2019. 2. At least 80% of participants who attended workshops have indicated that they are confident in their ability to use the resilience index tool by March 31, 2019. 3. Resilient road infrastructure designs for two projects in two additional countries (other than initial pilot BMCs) prepared using resources from the ACP-EU-CDB-NDRM Project by December 31, 2019.	1. CDB's Project documentation. 2. Workshop feedback and follow-up by CDB staff. 3. CDB Portfolio Performance Reports.	(i) BMCs committed to sustainable development and establish/ maintain relevant governance and management systems. (ii) Economic and social conditions within BMCs are stable. (iii) BMCs provide the necessary source of funding to meet investment requirements.	
3. OUTPUTS: 1. Investment Plans for enhanced road transport sector resilience completed for three BMCs. 2. Road resilience toolkit prepared, including a resilience index. 3. Road sector representatives from BMCs trained as trainers in application of resilience toolkit.	1. Three Investment Plans completed by December 31, 2018. 2. Roads sector resilience toolkit prepared by December 31, 2018. 3. Forty participants (total) from 19 BMCs participate in 2 regional workshops (20 each workshop) by March 31, 2019. Participation to be gender responsive and reporting data disaggregated by sex.	1. Consultant's reports. 2. CDB Supervision Reports 3. Project Completion Report	(i) The toolkit, Investment Plans and recommendations are accepted by CDB, the respective BMCs and development partners. (ii) Participation in Stakeholder workshops is broad and at the levels appropriate to sensitise key decision makers.	
Activities/Inputs	CDB (SFR)		1. Consultants selected and engaged. 2. CDB supervision reports. 3. CDB disbursement records.	(i) Stakeholders participate meaningfully in consultations. (ii) BMCs' agencies cooperate with consultants in data gathering and data readily available.
	USD	Euro (Equivalent)		
Consultancy Services:				
Professional Fees	706,500	607,847		
Air Travel, Accommodation, and Per Diem	157,460	135,473		
Workshops – BMCs	100,000	86,036		
Contingencies	36,500	31,403		
Total	1,000,460	860,759		

REVISED BUDGET
(USD)

Item	CDB (SFR)	Total
<u>ORIGINAL BUDGET</u>		
Activities/Inputs		
Consultancy Services:		
Professional Fees	506,500	506,500
Air Travel	50,000	50,000
Accommodation, and Per Diem	75,000	75,000
Workshops – BMCs	100,000	100,000
Contingencies	36,500	36,500
Total	768,000	768,000
<u>ADDITIONAL BUDGET</u>		
Activities/Inputs		
Consultancy Services:		
Professional Fees	200,000	200,000
Air Travel, Accommodation, and Per Diem	32,460	32,460
Total	232,460*	232,460
Revised Total Project Costs	1,000,460	1,000,460
Additional Funding Total (€)	200,000	200,000

* Assumed Conversion from Euro as at June 18, 2018

REVISED PROCUREMENT PLAN

I. General

1. Project Information:

Country: Regional

Grant Recipient: N/A

Project Name: ACP-EU-CDB NDRM Planning for the Integration of Climate Resilience in the Road Transport Sector in the BMCs of CDB

Project Executing Agency: CDB

2. Bank's Approval Date of the Procurement Plan: July 26, 2018

3. Period Covered By This Procurement Plan: July 2018 – July 2019

II. Goods and Works and Non-Consulting Services

1. Reference to (if any) Project Operational/Procurement Manual: CDB's procedures applicable to its UOF.

2. Any Other Special Procurement Arrangements: To comply with the requirements of the ACP-EU Finance Agreement the following is required:

- (a) Procurement shall be in accordance with CDB's procurement procedures with respect to its UOF. Financing shall be provided under ACP-EU-CDB NDRM in CARIFORUM Countries and thus eligibility shall include CDB member countries and be extended to reflect the applicable regulatory provisions of the EU.

3. Procurement Packages with Methods and Time Schedule:

1	2	3	4	5	6	7
Ref No.	Contract (Description)	Estimated Cost (USD '000)	Procurement Method	Prequal. (Yes/No)	Expected Bid-Opening Date	Comments
1.	Stakeholder Workshops	[REDACTED]	DC	N/A	N/A	

This information is withheld in accordance with one or more of the exceptions to disclosure under the Bank's Information Disclosure Policy.

III. Consulting Services

1. **Reference to (if any) Project Operational/Procurement Manual:** CDB’s procedures applicable to its UOF.

2. **Any Other Special Procurement Arrangements:** To comply with the requirements of the ACP-EU Finance Agreement the following is required:

- (b) Procurement of CDB-financed consultancy services shall be in accordance with CDB’s procurement procedures with respect to its UOF. Financing shall be provided under ACP-EU-CDB NDRM in CARIFORUM Countries and thus eligibility shall include CDB member countries and be extended to reflect the applicable regulatory provisions of the EU.

3. **Procurement Packages with Methods and Time Schedule:**

1	2	3	4	5	6
Ref No.	Assignment (Description)	Estimated Cost (USD '000)	Selection Method	Expected Proposal Submission Date	Comments
1.	Consultant (Fees & Reimbursables)	[REDACTED]	QCBS/SSS	August 2018	Expected start: September 2018 Original contract (March 2017) awarded under QCBS with subsequent amendment awarded under SSS

VI. Summary of Proposed Procurement Arrangements

Project Component	CDB / ACP-EU (USD'000)									NBF (USD'000) Country	Total Cost (USD'000)
	Primary		Secondary			Other					
	ICB	NCB	RCB	LIB	Shopping	DC	FA	QCBS	SSS		
1. Professional Fees	-	-	-	-	-	-		[REDACTED]	[REDACTED]	-	[REDACTED]
2. Accommodation and Per Diem	-	-	-	-	-	-		[REDACTED]	[REDACTED]	-	[REDACTED]
3. Air Travel	-	-	-	-	-	-		[REDACTED]	[REDACTED]	-	[REDACTED]
4. Stakeholders Workshops	-	-	-	-	-	[REDACTED]		-	-	-	[REDACTED]
5. Contingencies	-	-	-	-	-	[REDACTED]		[REDACTED]	-	-	[REDACTED]
Total	-	-	-	-	-	[REDACTED]		[REDACTED]	[REDACTED]	-	[REDACTED]

- | | | | | | |
|-----|---|-----------------------------------|------|---|----------------------------------|
| CQS | - | Consultant Quality Selection | LIB | - | Limited International Bidding |
| DC | - | Direct Contracting | NCB | - | National Competitive Bidding |
| FA | - | Force Account | NBF | - | Non-Bank Financed |
| FBS | - | Fixed Budget Selection | QCBS | - | Quality and Cost-Based Selection |
| ICB | - | International Competitive Bidding | RCB | - | Regional Competitive Bidding |

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