

TC ABSTRACT

I. Basic Project Data

▪ Country/Region:	BELIZE/CID - Isthmus & DR
▪ TC Name:	Support for the Implementation of a Climate Risk Management Plan
▪ TC Number:	BL-T1118
▪ Team Leader/Members:	SUAREZ VAZQUEZ, GINES (CSD/RND) Team Leader; DE OLLOQUI, FERNANDO (IFD/CMF) Alternate Team Leader; CHOW, JANE AMY (CID/CBL); VALLE PORRUA, YOLANDA (CSD/RND); SANMARTIN BAEZ, ALVARO LUIS (LEG/SGO)
▪ Taxonomy:	Client Support
▪ Number and name of operation supported by the TC:	N/A
▪ Date of TC Abstract:	21 Feb 2020
▪ Beneficiary:	Ministry of Economic Development, Ministry of Finance; and Ministry of National Emergency Management
▪ Executing Agency:	INTER-AMERICAN DEVELOPMENT BANK
▪ IDB funding requested:	US\$100,000.00
▪ Local counterpart funding:	US\$0.00
▪ Disbursement period:	24 months
▪ Types of consultants:	Firms
▪ Prepared by Unit:	CSD/RND - Env, Rural Dev & Disaster Risk
▪ Unit of Disbursement Responsibility:	CID/CBL - Country Office Belize
▪ TC included in Country Strategy (y/n):	Yes
▪ TC included in CPD (y/n):	Yes
▪ Alignment to the Update to the Institutional Strategy 2010-2020:	Productivity and innovation; Institutional capacity and rule of law; Environmental sustainability

II. Objective and Justification

- 2.1 The objective is to support the Government of Belize (GoB) in the implementation of the climate risk management actions identified as part of the design of the BL-O0005 Contingent Loan for Natural Disaster Emergencies
- 2.2 According to the Global Climate Risk Index 2019, Belize is one of the countries most affected by extreme weather events on the basis of losses as a proportion of Gross Domestic Product (GDP). This high climate risk is mainly associated with tropical cyclones (hurricanes and tropical storms) that impact Belize through strong winds, storm surge, heavy rains, coastal erosion, and flooding. The concentration of population and infrastructure in coastal areas contributes to Belize's exposure to tropical cyclones.
- 2.3 The economic losses from recent hurricanes include Hurricane Keith (2000) with US\$270 million in damages; Hurricane Iris (2001) with US\$61 million; Hurricane Dean (2007) with US\$85 million; and Hurricane Earl (2016) with US\$184 million. Regarding hydrometeorological events, the flooding from Tropical Depression 16 in 2008 led to direct losses of US\$27 million.
- 2.4 Probabilistic studies and analysis of the impact of historical disasters estimate that annual average disaster losses, in the long term, for Belize represent US\$29 million, around 1.69% of the GDP with an important impact on the long-term growth of the economy. Additionally, according to a recent report by the IMF, recovery efforts after

extreme weather events have put pressure on the country's fiscal resources and have been one of the factors driving the increase in Belize's debt-to-GDP ratio. Belize lacks of efficient and available contingency financing, which increase the pressure on the relocation of fiscal resources to attend disaster impacts.

- 2.5 Human impact. The main natural disasters since 2000 have affected 25,000 people on average. Some studies specify the vulnerability of women in Belize's natural disasters, including the disruption to the economic activity of women, particularly agricultural related, and the higher burden of care of female heads of households with limited resources.
- 2.6 In order to alleviate the impact that a severe or catastrophic natural disaster could have on the country's finances, the GoB requested to the Bank the Contingent Loan for Natural Disaster Emergencies (BL-O0005), which was approved on June 19, 2019, signed on September 18, 2019 and eligible on January 29, 2020. To be eligible for receiving the financing provided by this contingency loan the country should have a Comprehensive Disaster Risk Management Program (CDRMP) in place to the Bank's satisfaction, with the objective of promoting the effective formulation of a national policy on the comprehensive management of disaster risks (GN-2502-2).
- 2.7 As part of the process of preparation of the CDRMP some issues have been identified related to the conditions for an appropriate Disaster Risk Management (DRM). The issues include: (i) lack of definition of DRM functions of Ministries, Public Utilities Companies or regional management units (Districts, Cities, Towns and Villages in the operating committees lead by the National Emergency Management Organization (NEMO) ; (ii) the lack of a budgetary tracking system for DRM and Climate Change adaptation; and (iii) limited availability of funds for emergency response. This TC is designed to support the GoB to implement activities to overcome those issues.
- 2.8 The TC is aligned with the Belize Country Strategy update (2020-2021), particularly with the priority area "Climate Change and Disaster Risk Management" and the strategic objective "Improve Disaster Risk Management at country level".

III. Description of Activities and Outputs

- 3.1 **Component I: Consultancies to support the implementation of the CDRMP.** This component include the consultancies that were identified as part of the preparation of the CDMRP: (i) diagnostic of NEMO National Operating Committees terms of references to incorporate a more specific definition of the DRM functions; (ii) diagnostic of the existing tracking system for DRM and Climate Change adaptation; and (iii) diagnostic of the conditions for the creation of an emergency fund prepared.

IV. Budget

Indicative Budget

Activity/Component	IDB/Fund Funding	Counterpart Funding	Total Funding
Consultancies to support the implementation of the CDRMP	US\$100,000.00	US\$0.00	US\$100,000.00
Total	US\$100,000.00	US\$0.00	US\$100,000.00

V. Executing Agency and Execution Structure

- 5.1 The IDB, through the Environment, Rural Development and Disaster Risk Management Division (CSD/RND) will be the executing agency for this TC.
- 5.2 Given the specific knowledge of the Bank regarding technical aspects of the consultancies, the GoB has suggested that the Bank execute the TC with their input and close collaboration. CSD/RND will be responsible for overall execution of the

activities related to this TC in close coordination with the Government of Belize. CSD/RND will coordinate closely with Belize Country Office as a mean to increase trustful institutional relationship and partnerships among the national stakeholders, COFs and CSD/RND.

VI. Project Risks and Issues

- 6.1 The main risk is the high technical capacity required to implement the consultancies included in the TC. This risk is mitigated by the Bank execution, which will advise on specific terms of reference, contribute to technical monitoring and supervision and review reports for timely execution and the involvement of the RND disaster risk management specialist as team leader of the TC.

VII. Environmental and Social Classification

- 7.1 The ESG classification for this operation is "undefined".