



PERU SECOND DPL WITH A CAT DDO (P149831)

LATIN AMERICA AND CARIBBEAN | Peru | Social, Urban, Rural and Resilience Global Practice Global Practice | IBRD/IDA | Development Policy Lending | FY 2015 | Seq No: 2 | ARCHIVED on 04-Mar-2016 | ISR22024 |

Implementing Agencies:

Key Dates

Key Project Dates

Bank Approval Date:12-Mar-2015

Effectiveness Date:22-Jun-2015

Planned Mid Term Review Date:--

Actual Mid-Term Review Date:--

Original Closing Date:12-Mar-2018

Revised Closing Date:12-Mar-2018

Program Development Objectives

Program Development Objective (from Program Document)

The development objective of the proposed operation is to strengthen the legal and institutional framework to contribute toward the reduction of Peru's fiscal and physical vulnerability to disasters.

Overall Ratings

| Name | Previous Rating | Current Rating |
|--------------------------------------|-----------------|----------------|
| Progress towards achievement of PDO | ● Satisfactory | ● Satisfactory |
| Overall Implementation Progress (IP) | ● Satisfactory | ● Satisfactory |
| Overall Risk Rating | ● Low | ● Low |

Implementation Status and Key Decisions

The Program was approved by the Bank Board on March 12, 2015, and it was declared effective on June 22, 2015. The GoP is implementing the Program in a satisfactory manner and has shown steady progress towards achieving the PDO in three policy areas included in the policy matrix.





Risks

Systematic Operations Risk-rating Tool

| Risk Category | Rating at Approval | Previous Rating | Current Rating |
|--|--------------------|-----------------|----------------|
| Political and Governance | ● Low | ● Low | ● Low |
| Macroeconomic | ● Low | ● Low | ● Moderate |
| Sector Strategies and Policies | ● Low | ● Low | ● Low |
| Technical Design of Project or Program | ● Low | ● Low | ● Low |
| Institutional Capacity for Implementation and Sustainability | ● Moderate | ● Moderate | ● Moderate |
| Fiduciary | ● Low | ● Low | ● Low |
| Environment and Social | ● Low | ● Low | ● Low |
| Stakeholders | ● Low | ● Low | ● Low |
| Other | -- | ● Low | ● Low |
| Overall | ● Low | ● Low | ● Low |

Results

Results Indicators



► Annual budgetary performance report on PLANAGERD implementation under the results-based budgeting programs (Text, Custom)

| | Baseline | Actual (Previous) | Actual (Current) | End Target |
|-------|-------------|-------------------|---|--|
| Value | None | -- | The first budgetary performance report is currently under preparation. In addition, in February 2015 the redesign of the PP068 to be aligned to the PLANAGERD was approved. | Annual budgetary performance reports published for 2016 and 2017 |
| Date | 20-Jan-2015 | -- | 11-Nov-2015 | 12-Mar-2018 |

► Number of regional governments that have approved regional plans for the prevention and reduction of disaster risk (Text, Custom)

| | Baseline | Actual (Previous) | Actual (Current) | End Target |
|-------|-------------|-------------------|------------------|-------------|
| Value | 0 | -- | 0 | 15/25 |
| Date | 20-Jan-2015 | -- | 11-Nov-2015 | 12-Mar-2018 |

Comments

No regional governments have yet approved regional plans for the prevention and reduction of disaster risk. However, CENEPRED has held capacity building workshops for the development of these plans with 8 regional governments. In addition, the National Counsel for the Management of El Niño Risks (CNGR-FEN) was created recently (DU 004-2015) chaired by the Minister of Agriculture and Irrigation and including all the Ministries of Housing, Construction and Sanitation, Transport and Communications, Education, Health, Defense and Interior and the Ministry of Economy and Finance as well as all the technical and scientific institutions. Fourteen regional governments are implementing mitigation and preparation plans.

► Share of seismic risk reduction in school infrastructure in the Lima Metropolitan Area as a result of PRONIED implementation (Text, Custom)

| | Baseline | Actual (Previous) | Actual (Current) | End Target |
|-------|--|-------------------|-------------------------------------|---------------|
| Value | Risk Indicator (RI)=20.3 for a portfolio of 1,969 school facilities in the Lima Metropolitan Area) | -- | There has been 2.9% risk reduction. | 10% reduction |
| Date | 20-Jan-2015 | -- | 11-Nov-2015 | 12-Mar-2018 |

Comments

MINEDU has carried out interventions in 374 school facilities under Plan Lima, with a total investment of S/.78.3m. These interventions include, demolition, temporary classrooms and refurbishment. In addition, the Ministry has been working with regional governments taking preventive action in preparation for el Nino and has intervened in 300 school facilities at risk and has transferred an estimated S/.240m in additional resources to the regions.



► Share of eligible low-income households covered by the Grant for Protection of Housing Vulnerable to Seismic Risk (Text, Custom)

| | Baseline | Actual (Previous) | Actual (Current) | End Target |
|-------|-------------|-------------------|------------------|----------------------------------|
| Value | 0 | -- | 5% | 80% of 8,303 eligible households |
| Date | 20-Jan-2015 | -- | 11-Nov-2015 | 12-Mar-2018 |

Comments

364 grants have been disbursed (estimated 5% of the expected results for 2018) for a total of S./4,398,000 in seven districts. An estimated 200 houses have been retrofitted, and the amount of the grant for retrofitting was increased to S./15,000. The Ministry aims to disburse more than 1,000 grants by the end of 2015. In addition, one of their key actions has been a communication strategy to promote this grant to more HH, which has resulted in identification of 4,300 potential families. However, expanding coverage presents two issues (i) accreditation of technical entities to carry out the retrofitting, and (ii) availability of seismic risk information.

► Number of approved studies for flood risk prevention and mitigation in watersheds (Number, Custom)

| | Baseline | Actual (Previous) | Actual (Current) | End Target |
|-------|-------------|-------------------|------------------|-------------|
| Value | 0.00 | -- | 0.00 | 4.00 |
| Date | 20-Jan-2015 | -- | 11-Nov-2015 | 12-Mar-2018 |

Comments

Three pre-investment studies have been developed for the watersheds of Rio Viru (La Libertad), Rio Saposoa-Serrano (San Martin), Rio Paucartambo (Junin). Works are expected to begin in 2016. In addition, the National Water Agency (ANA) has been implementing prevention and preparation measures in various regions in preparation for the potential impacts of a strong El Niño. S./146m has been allocated for the cleaning and removal of residue in 21 streams at the national level. In Lima, ANA has taken action in 9 streams with a total planned investment of S./21.8m. These works have been implemented through 9 emergency public investment projects (PIPs) approved by the Consejo Nacional de Gestion del Riesgo del Fenomeno del Niño CONAGER-FEN.



► Number of National Government sectors that approve sector guidelines for the post-disaster reconstruction process (Number, Custom)

| | Baseline | Actual (Previous) | Actual (Current) | End Target |
|-------|-------------|-------------------|------------------|-------------|
| Value | 0.00 | -- | 0.00 | 6.00 |
| Date | 20-Jan-2015 | -- | 11-Nov-2015 | 12-Mar-2018 |

Comments

The Secretariat for Disaster Risk Management along with CENEPRED and in coordination with MEF is developing the guidelines for the post-disaster reconstruction process. Once these guidelines are approved the Sectors will be able to prepare their own plans. The Bank is supporting this work with technical assistance.

► Number of National Government agencies with approved operational continuity plans in the event of disasters (Number, Custom)

| | Baseline | Actual (Previous) | Actual (Current) | End Target |
|-------|-------------|-------------------|------------------|-------------|
| Value | 1.00 | -- | 0.00 | 37.00 |
| Date | 20-Jan-2015 | -- | 11-Nov-2015 | 12-Mar-2018 |

Comments

In February 2015 the guidelines for operational continuity of public entities at the three levels of government were approved (RM 028-2015-PCM). To promote the guidelines, the Secretariat for Disaster Risk Management has held workshops with national level entities to prepare timelines for the preparation of operational continuity plans, currently the following entities are in process: RENIEC (data center), Ministry of Health, FONAFE, SUNAT.

► Policies and procedures for the financing of post-disaster rehabilitation and reconstruction processes (Text, Custom)

| | Baseline | Actual (Previous) | Actual (Current) | End Target |
|-------|-------------|-------------------|--|------------------------------|
| Value | None | -- | The protocols and procedures for financing post-disaster rehabilitation and reconstruction processes is being discussed, in particular a document focused on financing emergency and rehabilitation, by the Risk Committee within the MEF. | An Operation Manual approved |
| Date | 20-Jan-2015 | -- | 11-Nov-2015 | 12-Mar-2018 |

Overall Comments



Data on Financial Performance

Disbursements (by loan)

| Project | Loan/Credit/TF | Status | Currency | Original | Revised | Cancelled | Disbursed | Undisbursed | Disbursed |
|---------|----------------|-----------|----------|----------|---------|-----------|-----------|-------------|-----------|
| P149831 | IBRD-84780 | Effective | USD | 400.00 | 400.00 | 0.00 | 0.00 | 400.00 | 0% |

Key Dates (by loan)

| Project | Loan/Credit/TF | Status | Approval Date | Signing Date | Effectiveness Date | Orig. Closing Date | Rev. Closing Date |
|---------|----------------|-----------|---------------|--------------|--------------------|--------------------|-------------------|
| P149831 | IBRD-84780 | Effective | 12-Mar-2015 | 06-May-2015 | 22-Jun-2015 | 12-Mar-2018 | 12-Mar-2018 |

Tranches

Restructuring History

There has been no restructuring to date.

Related Operations

There are no related projects.