## Climate Investment Funds

PPCR/SC.12/Inf.2 April 8, 2013

Meeting of the PPCR Sub-Committee Washington D.C. May 1, 2013

# EXPRESSION OF INTEREST FROM THE GOVERNMENT OF BELIZE IN PARTICIPATING IN THE PPCR

#### I. INTRODUCTION

1. Attached is a letter to the CIF Administrative Unit from Ms. Yvonne Hyde, Chief Executive Officer, Ministry of Finance and Economic Development. Government of Belize. In this letter, Ms. Hyde:

- a) informs the PPCR Sub-Committee, through the CIF Administrative Unit, of its interest to be designated as a pilot country to receive funding under the PPCR;
- b) draws the Committee's attention to the work that is underway in Belize to prepare a comprehensive cross-sectoral climate resilience investment plan similar to a PPCR Strategic Program for Climate Resilience; and
- c) requests as opportunity to present its climate resilience investment plan to the Sub-Committee at its meeting in November with a view to receiving comments and an endorsement of the validity of the programming process and its results.
- 2. The Sub-Committee is invited to share its views on this communication.



### **GOVERNMENT OF BELIZE** Ministry of Finance & Economic Development

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Your Ref.: Our Ref.:

5 March 2013

Ms Patricia Bliss-Guest Program Manager Climate Investment Fund Administrative Unit World Bank 1818 H Street NW Washington DC 20433 <u>United States of America</u>

Dear Ms Bliss- Guest

#### Expression of Interest in the Strategic Climate Fund's (SCF) Pilot Programme for Climate Resilience (PPCR)

The launch of the Strategic Climate Fund's (SCF) Pilot Program for Climate Resilience (PPCR) in November 2008, to test strategies designed to integrate climate risk into basic development planning and measures that demonstrate how to protect people from the effects of climate change, was an important step in the context of global efforts to combat climate change.

For several decades, Belize, like several countries in Central America and the Caribbean, has been facing serious socio-economic problems owing to the adverse effects of climate change, resulting in significant losses for the population. For example, Hurricane Hattie destroyed half of Belize City in 1961, killing 400 people and causing economic damages estimated at over 600 percent of GDP<sup>1</sup>; Hurricane Keith in 2000 caused damage exceeding 45 percent of GDP; and Tropical Storm Arthur in 2008 caused extensive damage to critical infrastructure and the agriculture sector<sup>2</sup>.

<sup>&</sup>lt;sup>1</sup> EM-DAT, The International Disaster Database, accessed January 2013.

<sup>&</sup>lt;sup>2</sup> World Bank, "Belize Housing Policy: Diagnosis and guidelines for action", June 2011.

World Bank, "Country Partnership Strategy", July 2011.

The integration of climate change into national policies and strategies and the implementation of urgent actions have therefore become major priorities for the country in recent years.

These concerns have caused the Government of Belize (GoB) to partner with other countries in the region on disaster risk identification, reduction and financing. Belize participated in the first phase of the Central American Probabilistic Risk Assessment Initiative (CAPRA), which established the basic capacity to perform probabilistic risk assessment<sup>3</sup>. It became part of the Caribbean Catastrophe Risk Insurance Facility (CCRIF), which is a multi-country pooling facility that allows participating countries to purchase insurance coverage to finance immediate post-disaster recovery needs and to finance their risks through risk pooling, risk retention, and risk transfer. In addition, Belize is part of the Caribbean Disaster Emergency Management Agency (CDEMA), which provides capacity building and technical assistance on risk identification. Despite these efforts, there are still significant capacity constraints in performing in-depth disaster and climate risk assessments.

Belize has introduced several legislations and policy measures to mitigate disaster risk and to enhance the disaster preparedness. The Disaster Preparedness and Response Act (2000<sup>4</sup>, revised in 2003)<sup>5</sup> is the primary legislation governing Disaster Risk Management (DRM) in Belize. The Act established the National Emergency Management Organization (NEMO), which is recognized as the national coordinating and implementing entity for DRM. However, despite the GoB's efforts to introduce relevant legislations and policy measures, Belize's DRM policy framework is fragmented and its institutional capacity is low as indicated by the poor implementation of national strategies across ministries.

In order to determine capacity and strategic climate resilient investment needs, the GoB has engaged with the World Bank to execute a Global Facility for Disaster Reduction and Recovery (GFDRR) and European Union (EU) Africa, Caribbean and Pacific (ACP) grant for \$750,000 that would produce a comprehensive cross-sectoral climate resilience investment plan, which would follow the same programming process as suggested by the PPCR to develop a Strategic Programme for Climate Resilience (SPCR). The programming activities will identify and prioritize vulnerability reduction investments through two major methodologies: i) an inclusive multi-criteria evaluation (MCE) and ii) empirical data analysis. The MCE will engage the key national stakeholders in defining and confirming physical, social, economic, and environmental criteria and the empirical data analysis will help determine the critical investment needs for Belize, which will be articulated in Belize's investment plan. The GoB hopes to present this investment plan to the PPCR Sub-Committee in November 2013 with a view to receive comments and an endorsement of the validity of the programming process and its results. The investment plan will be the basis for engaging various donors and funding mechanisms in securing funding for the identified priority actions. Additionally, the resulting Belize investment

<sup>&</sup>lt;sup>3</sup> Belize Country Partnership Strategy.

<sup>&</sup>lt;sup>4</sup> OAS-DSD (2000a).

<sup>5</sup> OAS-DSD (2003).

plan, driven and led by the GoB, will form a major part of the GoB's new Medium Term Development Strategy, preparation of which will commence shortly.

To request PPCR funding in support of the investment plan, the GoB, therefore, wishes to express its strong interest in being accepted as a pilot country under the PPCR. We regard participation in this mechanism as important support as we continue to focus on the all important priority of climate resilience. We look forward to a positive response to our request.

With best wishes.

Sincerely

Yvonne S Hyde Chief Executive Officer