

January 31, 2014

**Comments from the UK—Approval by mail: Endorsement of concept note:
Grenada: Additional financing to the Regional Disaster Vulnerability Reduction
Program (RDVRP)(PPCR) IBRD**

Dear Andrea

Thanks for sending this approval request. Having been through the documentation I'm afraid we need to request some clarifications about this approval before we can proceed with endorsing it, specifically:

- Can the team clarify if this is a request for approval of this project, rather than just allocation of extra resources to it (for which further project documentation will follow for approval)?
- This proposal to allocate these additional resources along with the Forest Rehabilitation project resources to the RDVP, seems to mean that the entire SPCR is now effectively co-financing the RDVP (with the exception of a few TA studies). As the previously approved (in May 2011) DVRP project was also a contribution to the wider RDVP project. Can the team confirm if this is the case?
- If this is the case can the team provide a full breakdown of RDVP financing including IDA resources, previously approved PPCR resources and this new allocation and how this is being used for the RDVP overall.
- We would also like reassurances on the appropriate use of PPCR finance for the RDVP overall – that it is being used to supplement and not substitute for IDA resources (UK comments on original SPCR submission referred to – see attached).
- Can the team also compile in one place the relevant project documentation for the RDVP inclusive of all these resources, with all the information on safeguards etc, as it is not currently possible to tell from this submission what exactly is being requested for approval in terms of project implementation. Not new documentation necessarily just a clear and comprehensive compilation that covers the RDVP in its entirety.
- Lastly the letter of support from the Government of Grenada includes reference to their intention to co-finance the RDVP with further IBRD loans, given that Grenada has a high debt burden can the team confirm that if this is taken forward the principles in the 'use of concessional finance in the PPCR' document will be followed?

We will review and endorse the project as soon as possible once these clarifications are

received

Many thanks

Juliet