

May 4, 2011

Comments from Canada on the Approval by Mail: Grenada Disaster Vulnerability and Climate Risk Reduction Project

Dear Colleagues,

We appreciate the opportunity to provide comments on the project document entitled "Grenada--Disaster Vulnerability and Climate Risk Reduction Project." Given that this is the first investment proposal under the Grenada Strategic Program for Climate Resilience (SPCR), as well as the first project under the PPCR Caribbean regional pilot, we wish to note a number of concerns specific to this initiative that may also be relevant for other projects submitted to PPCR Sub-committee members in the future. While we do not want to delay the approval process now, a more thorough discussion on investments using PPCR resources would be welcomed at the next Sub-committee meeting in June.

- In contrast to the SPCR, there are few linkages between this proposal and the Regional Track for the PPCR Regional program for the Caribbean--which is the impetus for the committee agreeing to fund this national component of the pilot in Grenada. While "regional" work is highlighted as a specific area in the proposal, the region being referred to is actually the Eastern Caribbean, and not the Caribbean region as a whole.
- The link between the corporate Results Framework adopted by the PPCR Sub-committee and this initiative is missing. How will this project contribute to achieving the overall results of the PPCR? To the regional program?
- While one of the objectives of the PPCR is to complement other multilateral financial mechanisms while integrating climate change impacts into national development planning, the proposal does not clearly identify how the respective mandates of the different funding mechanisms will be considered, as the funding is blended together. This is particularly an issue with regard to the potential re-categorization of financing to cover early recovery and rehabilitation costs.
- Addressing vulnerability associated with poor public infrastructure, particularly in the context of disaster management planning, is a sound investment. For the most part this is the case in this proposal. However, the links with the mandate of the PPCR need to be clarified, and in general, a clearer idea of what will be funded by PPCR resources (as a loan or grant) versus other funding mechanisms during the life of the project would be appreciated. For example: The La Sagesse and Beausejour Community Infrastructure Development project has little to do with climate change, but rather addresses a resettlement issue resulting from property developers failing to live up to their promises several years ago. The Regional Collaboration for Urban Flood Risks project raises questions around climate change attribution, as the initiative tries to correct the impacts of past poor planning. The Risk Reduction for Regional Inter-connectivity project aims to replace aging emergency response equipment so that the national airport will not lose its ICAO certification in the immediate future.
- The Climate Change Adaptation Pilot Area: Union Island project proposes a \$500,000 assessment for a population of 3000, which seems excessive.
- There appears to be an inherent contradiction with the proposed "Emergency Recovery and Rehabilitation Mechanism" as the proposal suggests that the mechanism "would

complement the participating countries memberships of the Caribbean Catastrophe Risk Insurance Facility (CCRIF), since the trigger would be a declaration of emergency following an adverse natural event, rather than CCRIF's parametric trigger." The basis for developing the CCRIF was, in fact, to use parametric triggers as a replacement to subjective one.

- We note that the salaries budgeted for the project are not in line with national norms. The GNI of Grenada is \$6000, and the salaries budgeted are upwards of 10 times greater in some cases, which raises the issue of how these projects will be sustainable in the longer term. The national government has not yet assured any future funding for government employees to monitor and evaluate project activities, as well as to populate and maintain data systems.
- Although reference to gender was included in the SPCR for Grenada, the project presented for consideration is completely gender blind. There is only one reference in the country description section on Grenada, where it clearly points to the need for taking into consideration the issue of gender. (There is no reference to gender in the Saint Vincent and the Grenadines section.)
- It is unclear whether the PPCR Sub-committee is also being asked to approve work in Saint Vincent and the Grenadines.
- There has been an increase of \$100,000 requested for MDB preparation and supervision costs from the original estimates (\$520K instead of \$420K) in recognition of limited capacity in the government. We would appreciate that any proposed increase in fees be flagged in the accompanying decisions requested of PPCR Sub-committee members.

Regards,

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