

[Approved by mail]: Haiti – Municipal Development and Urban Resilience Project (PPCR) (World Bank) (XPCRHT070A) – World Bank Response to UK Comments

Design: Agreed. The team will continue to monitor the developments on decentralization agenda, and work closely with the Ministry of Interior and Local Authorities who is the main driver for decentralization.

Risks: In case of a request from the Government to trigger the CER component, the Project will undergo a restructuring to reallocate funds between components and readjust activities. Only undisbursed and non-committed funds will be eligible to be reallocated (PPCR funding will not be used for emergency response). The team is mindful that disruptions to project programming should be minimized. Based on the extent of the use of project resources to respond to the emergency, the Bank could explore the possibility to provide additional financial support to the Project.

Coordination/building on experience: Thank you. The Bank team is already working with the EU, among other partners. The EU-funded project for local development (AGIL) closed last year. The team will be reaching out to Global Affairs Canada to see if additional risk mapping has been done.

Project rationale: Thank you. As highlighted in the PAD, including in the results framework and in the economic study, and based on the evidence of the comprehensive preparatory studies undertaken during project preparation, the investment for Cap-Haïtien's flood management will be transformational, and will result in reduction of flooded areas by almost 271 ha and more than 58,000 beneficiaries. For Component 1, the intervention will result in providing municipalities with substantial increase in their resources for investment (up to 10 times their current budgets) accompanied by targeted technical support. In that sense, the project will enable municipalities to drive their development agenda and target critical service delivery gaps in their urban areas, as well as enabling to better plan and manage their expansion, mainstream resilience in planning and implementation, and collect more local revenues. PPCR funding will enable the Project to address specific climate-change aspects and ensure that climate change technical knowledge is leveraged as much as possible in all activities of the project.

Furthermore, as part of Component 1, climate considerations are integrated as part of the municipal sub-projects selection process. Simple guidelines on how to screen projects for climate risk and disaster risk (in terms of project location) and simple ways of including structural standards against certain hazards when preparing ToRs for design firms (for example hurricane proof roofs, drainage for flooding) will be included in the Operational Manual and will be integrated in the training of the municipality staff.

Climate aspects are also part and parcel of the integrated master plan for the Bassin Rhodo financed under component 2 and of the support to municipalities for development of their local plans supported under Component 1.3. In these plans, resilience and managing climate change both in terms of spatial planning and in terms of investment projects and other interventions will be a crosscutting issue.

Component 1: Capacity assessments were undertaken for each of the targeted municipalities as part of project preparation. At this stage, MLAs are staffed to undertake basic tasks, but the main challenge is that staff are not equipped with skills and resources to execute their mandates. Cap-Haïtien, has

substantial amount of staff, both qualified and unqualified. It is estimated that the MTST will be effective in providing the necessary support to expand the delivery capacity of both Cap-Haïtien and the 5 smaller municipalities, including support to help municipality staff make use of climate considerations as part of selection of investment projects, and in the development of key planning tools including the local development plan (PDC) and the urban development plan.

During the preparation of the Project, several activities were undertaken to understand the existing service delivery gaps and priorities of the municipalities:

- consultations with the mayors and staff of the municipalities, and with the wider population on key development challenges they face
- detailed reviews of the existing development plan of each municipality including a long list of their priority projects
- site visits and review of key bottlenecks in the urban areas of the municipalities

In addition, the selection of investments under Component 1 will be informed by the detailed feasibility studies that will be undertaken in the first 6 months of the Project. These studies will include review of technical, economic and social viability of the long list of sub-projects proposed by municipalities, and hence allow for the final selection.

Results Framework: To your comment: "The targets are all expressed to two decimal points, including indicators such as "People provided with improved urban living conditions". Can you check this?"

Response: This has been updated.

Safeguards: Comprehensive details for the management and mitigation of resettlement are provided in the PAD's safeguards section and the Safeguards Action Plan (Annex 5).

Resettlement will be undertaken as per Bank standards on social safeguards. The project design includes several mitigation measures to reduce the social safeguards risk, including (i) preparation of detailed EA instruments (ESMF and RPF for component 2 and EIA and RAP for component 1.), and (ii) consistent mobilization of high level expertise in social safeguards with strong knowledge of Haiti, especially during early stages of implementation. The Project will also ensure substantive and comprehensive consultations with all stakeholders on safeguards procedures.

Regarding the regularized dredging of rivers, it is estimated that the river basin will only require follow-up dredging in about 15-20 years, assuming that the main driver of creation of new settlements, solid waste dumping into the basin and uncontrolled settlement – is better managed (as per the link to the IDB financed solid waste project and the component 1.3 of the project supporting municipalities to undertake better urban management).