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## ANNEX

of the Commission Decision on the adoption of a special measure in favour of Saint Vincent and the Grenadines to be financed from the European Development Fund

### Action Document for Saint Vincent and the Grenadines Post Trough Infrastructure Rehabilitation Programme

<b>1. Title/basic act/ CRIS number</b>	Saint Vincent and the Grenadines Post Trough Emergency Infrastructure Rehabilitation Programme - CRIS number: 2015/037924 financed under European Development Fund			
<b>2. Zone benefiting from the action/location</b>	Caribbean, Saint Vincent and the Grenadines The action shall be carried out at the following location: Saint Vincent			
<b>3. Programming document</b>	Saint Vincent and the Grenadines National Economic and Social Development Plan (2013-2025)			
<b>4. Sector of concentration/ thematic area</b>	Reconstruction relief and rehabilitation			
<b>5. Amounts concerned</b>	Total estimated cost: EUR 6 500 000 Total amount of EDF contribution EUR 6 500 000			
<b>6. Aid modality(ies) and implementation modality(ies)</b>	Project Modality Indirect management with the World Bank			
<b>7. DAC code(s)</b>	73000			
<b>8. Markers (from CRIS DAC form)</b>	<b>General policy objective</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Main objective</b>
	Participation development/good governance	x		
	Aid to environment		x	
	Gender equality (including Women In Development)	x		
	Trade Development	x		
	Reproductive, Maternal, New born and child health	x		
	<b>RIO Convention markers</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Main objective</b>
	Biological diversity	x		
	Combat desertification	x		
	Climate change mitigation	x		

	Climate change adaptation			<b>x</b>
<b>9. Global Public Goods and Challenges (GPGC) thematic flagships</b>	N/A.			

## SUMMARY

On the evening of 24 December 2013 a tropical trough system interacting with a high pressure system to the north, caused extraordinarily heavy rains on mainland Saint Vincent which resulted in rapid and intense flash flooding that directly affected over 50% of the population. Local rainfall stations reported up to 202.8mm on the North Leeward (North West) side of the island and up to 311.4mm in the North Windward (north east) side of the island over a three hour period. This episode, in excess of a 1 in 100 year event, resulted in flooding and landslides and significant damage to infrastructure - particularly in the water, electricity and transport sectors. Numerous private homes were lost or damaged and nine (9) persons were confirmed dead and three (3) are still missing and are presumed dead.

The DaLA (Damage and Loss Assessment) conducted by the World Bank estimated the damage on account of the floods to be USD 108.4 million which amounts to approximately 15% of the country's GDP.

The request to support the reconstruction effort submitted by the Government of Saint Vincent and the Grenadines received a positive answer from the European Union who pledged a total EUR 6 500 000 support from the B-envelope for the present infrastructure rehabilitation project.

The overall objective of the action is to contribute to the enhancement of the quality of life of residents in some of the poorest communities in Saint Vincent and the Grenadines by improving the delivery of transport services. The specific objective is to strengthen the disaster resilience of critical transport infrastructure in northern, southern and south-western areas of Saint Vincent and the Grenadines.

The action includes the following activities: (i) realignment and upgrading of the Ginger Village road, (ii) reconstruction of bridge # 2 and associated road works in Congo Valley, (iii) rehabilitation of Longline Bridge and road, (iv) reconstruction of feeder roads at Gaskill, Fireburn/Firebun, Fergusson Mountain, Palmiste Mountain and Dandril/Dandrade and (v) reconstruction of the Chateaubelair jetty.

It will be implemented through indirect management by the World Bank. It will be aligned to the USD 60.4 million Regional Disaster Vulnerability Reduction Project (RDVRP) that the Government of Saint Vincent and the Grenadines has been implementing since September 2011.

The RDVRP initial budget of USD 20.9 million was being carried out over a five-year period that ended on 31 December 2016 but in the wake of 24-25 December 2013 flood disaster, Saint Vincent and the Grenadines successfully negotiated additional financing in the amount of USD 40.6 million.

The project is articulated around the following four pillars: (i) Prevention and Adaptation Investments, (ii) Regional Platform for Hazard and Risk Evaluation and Application of

Improved Decision Making, (iii) Natural Disaster Response Investments and (iv) Project Management and Implementation Support.

The support through the B-envelope has unfortunately been met with capacity constraints, which led to delays in committing the financial resources allocated. As mentioned above the presence of the World Bank in the country already and the similarity between actions proposed to be undertaken, it is the logical choice to cooperate with the World Bank. Furthermore, the B-envelope is also envisaged when rehabilitation/transitional actions are necessary to prepare longer term development actions and contribute to resilience and in this context it should be noted that the implementation modality chosen should be as efficient as possible, including quick delivery on the ground as well as minimising the workload.

## **1 CONTEXT**

### **1.1 Sector/Country/Regional context/Thematic area**

Saint Vincent and the Grenadines is an archipelagic state in the Eastern Caribbean, comprising the main island, Saint Vincent, and a chain of 31 islands and cays. The total area of the country is 389 sq. km of which the main island is 344 sq. km. Saint Vincent and the Grenadines is a small island developing state (SIDS) with an estimated population of 109,991. The country's population is made up of 48.7% female and 51.3% male. Over the past three decades, the rural population has remained at 45% on average.

The preliminary GDP at market price in 2013 was estimated at USD 709.2 million. In the past, Saint Vincent and the Grenadines relied almost exclusively on agriculture, but within recent times, tourism and related services, construction and other sectors have become increasingly important contributors to the national economy. Although commerce is becoming more decentralised, the main area of economic activity is Kingstown, the country's capital. In 2013, public external debt relative to GDP and total public debt relative to GDP were 41.8% and 75.2%, respectively. This contributes to Saint Vincent and the Grenadines' limited capacity to manage the fiscal impacts of exogenous shocks.

The 2007/2008 Country Poverty Assessment<sup>1</sup> (CPA) recorded an incidence of poverty of 30.2% in Saint Vincent and the Grenadines. The CPA also found that 48.2% of the population is below the vulnerability line which measures the number of persons who are not poor, but are at risk of falling into poverty, as a result of economic shocks or other types of disruptions. In particular, in some rural communities, the CPA assessed poverty as high as 43.1% and 55.5%.

#### **1.1.1 Public Policy Assessment and EU Policy Framework**

With the support of the European Union, the Government of Saint Vincent and the Grenadines recently unveiled its National and Economic and Social Development Plan (2013-2025) which is termed as its blueprint for long term socio-economic development. The Plan envisages the continued development and strengthening of national institutions and the improvement of technical and administrative capacity to deal with challenges, in order to

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<sup>1</sup> "St Vincent and the Grenadines Country Poverty Assessment 2007/2008 – Living conditions in a Small Island Developing State"; Kairi Consultants Limited on behalf of the Government of St. Vincent and the Grenadines; 2008.

capitalise on the opportunities presented. The vision (*Re-engineering economic growth: improving the quality of life for all Vincentians*) for Saint Vincent and the Grenadines, and the proposed development strategies for the country will, if carefully pursued, lead to balanced, comprehensive and sustainable development.

The Plan outlines five (5) strategic goals:<sup>2</sup>

1. Re-engineering Economic Growth
2. Enabling Increased Human and Social Development
3. Promoting Good Governance and Increasing the Effectiveness of Public Administration
4. Improving Physical Infrastructure, Preserving the Environment and Building Resilience to Climate Change
5. Building National Pride, Identity and Culture

### *Disaster Management*

Saint Vincent and the Grenadines is geographically located in an area that is highly vulnerable to natural disasters. It is therefore imperative that disaster preparedness is enhanced. The main objective of which is to enhance the capability of the country to effectively prepare, respond to and mitigate all disasters. Therefore, in the medium to long term, the strategic interventions include to:

- Establish a comprehensive disaster management plan
- Formulate procedures to ensure that all commercial and public buildings have disaster plans
- Build resilience at the community level
- Develop land-use and maritime plans
- Ensure adherence to the Building Code and adequate design taking account of Climate Change
- Improve maintenance to key infrastructure to preserve resilience to adverse weather effects
- Develop post-trauma needs assessment programmes
- Acquire air assets to perform search and rescue

The National Emergency and Disaster Management Act of 2006 empower the National Emergency Management Organization (NEMO) to be the central agency for coordinating disaster management in Saint Vincent and the Grenadines. Public officers or other persons may be appointed or designated for the effective performance of the functions of the Organisation. In addition, NEMO collaborates with other government stakeholders, ministries and regional organisations such as Caribbean Disaster Management Agency (CDEMA) and United Nations Development Programme (UNDP).

NEMO consists of a National Emergency Council, the National Emergency Executive Committee and District Disaster Management committees. The Council also establishes sub-committees as may be necessary to respond in the event of natural disasters. The sub-committees are responsible for: (a) public information, training and education, (b) damage and needs assessment, (c) transport and road clearance, (d) emergency shelters and shelter management, (e) emergency supplies, (f) health services, (g) emergency telecommunications,

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<sup>2</sup> National Economic and Social Development Plan 2013-2025

(h) search and rescue (land and sea), (i) rehabilitation and reconstruction and (j) voluntary services

NEMO was also instrumental in establishing disaster risk management community groups in several communities throughout the country.

### ***1.1.2 Stakeholder analysis***

The main beneficiaries of the project and therefore the primary stakeholders are:

- the population of Saint Vincent and the Grenadines in general who will benefit of the reduced risk of infrastructure failure following an adverse natural event.
- the communities of (i) Georgetown/Sandy Bay: Congo Valley, and Dandrade/Dandrill; (ii) Chateaubelair: Troumaca and Coull's Hill; (iii) Layou: Palmiste and (iv) Colonarie: Mt. Greenan and South Rivers in particular, who run the risk of losing access to part of the island, including the major health and education facilities and farms, following a major storm event. These are among some of the poorest communities in Saint Vincent and the Grenadines with poverty levels ranging from 32.4% to 55.6%, which are all above the national average of 30.2%.

Other stakeholders include:

- the Ministry of Transport and Works that is charged with the responsibility to provide adequate transport infrastructure to facilitate economic development and to mobilise to clear the roads and restore access following storm events;
- Buildings, Roads and General Services Authority (BRAGSA), which is in charge of the maintenance of public infrastructure in Saint Vincent and the Grenadines;
- the National Emergency Council which presides over activities to restore normalcy following a disaster;
- the Office of the NAO which will be the project's Contracting Authority,
- fishermen and farmers who use the facilities,
- development partners involved in the sector in Saint Vincent and the Grenadines, including the World Bank.

### ***1.1.3 Priority areas for support/problem analysis***

Saint Vincent and the Grenadines is among the most disaster-prone countries in the world. Seasonal hurricanes exacerbated by the effects of climate change and combined with less frequent but devastating geological events, adversely affect the pace of growth and development.

The effects of climate change are already evident in many parts of the country with storm activities continuing to denude exposed coastlines and negatively impacting development in Saint Vincent and the Grenadines. The situation is only expected to worsen given the country's high vulnerability to the effects of global warming and associated impacts.

While disaster management has been accorded priority on the national agenda and despite investments to enhance its response capacity and progress in understanding disaster vulnerabilities, Saint Vincent and the Grenadines continues to face high levels of risk associated with natural hazards and a changing climate. In particular, ageing public infrastructure in sectors such as health, education, water and roads, adds to an already high level of vulnerability.

Recently, intensified storms and rainfall concentration have exacerbated existing hazard patterns and have caused significant and consistent damage to infrastructure, including housing, road networks, schools, hospitals, and utilities (water, electricity and telephone).

To reduce the adverse effects of natural phenomena, there is a continued need to rebuild damaged infrastructure with more resilient structures while ensuring that new buildings are constructed to standards in line with the international building codes (IBC). In addition, these actions need to be supplemented with more comprehensive disaster risk reduction measures, such as preventative maintenance, appropriate zoning, hazard mapping, establishment and enforcement of construction codes, disaster information mechanisms, and flood and landslide mitigation.

Following the disaster which took place on 24 December 2013, the Government of Saint Vincent and the Grenadines quickly restored primary network access through a programme of debris removal and temporary bridging as well as the construction of emergency bypasses in heavily damaged areas. While some permanent reconstruction activities are on-going, it is essential that all key infrastructures are rehabilitated so as to increase resilience to recurrent events.

The proposed action is anchored in the EU's general and specific guidelines on disaster resilience. In this regard, it responds directly to the implementation priority C (Integration of DRR into EU's External Action) of the EU Strategy for Supporting DRR in Developing Countries – Implementation Plan and 2 of the 5 priorities of the Global Climate Change Alliance (GCCA): adaptation to climate change and integration of climate change into poverty reduction efforts.

## 2 RISKS AND ASSUMPTIONS

<b>Risks</b>	<b>Risk level (H/M/L)</b>	<b>Mitigating Measures</b>
Scope of rehabilitation works could grow with the discovery of adverse site conditions during construction	M	Detailed inspections will be carried out at the pre-engineering stage to minimise the impacts of unanticipated damages. Contingencies would also be included in works planning and execution contracts
Inadequate financial support to cover full cost of the planned interventions	M	Additional support could be made available from the RDVRP
Inadequate capacity within key technical agencies.	L	Independent inspections/technical audits will be carried out A TA team will be recruited to carry out the day to day supervision of the works
The new infrastructure may receive inadequate maintenance funding to protect the investment made.	M	The new infrastructure will be included in BRAGSA's maintenance plan. Under the EDF 11 project a Road Management Maintenance System

		(RMMS) will be set up to support planning of maintenance expenditure.  The Government of Saint Vincent and the Grenadines also commits itself to ensure that the infrastructure rehabilitated under the project receive adequate maintenance funding through its inclusion in BRAGSA's maintenance plan.
Environmental and climate change risks. All models predict that the effects from climate will increase unless actions are taken to ‘turn down the heat’	L	Design, construction and rehabilitation to introduce strict environmental safeguards and climate proofing parameters  Risks (also including risks from natural disasters) will be integrated in a risk informed investment approach and due recognition will also be given to the Climate Risk Assessment approach
Qualified contractors are not available at an affordable price to effectively execute the works.	L	Widen the advertising coverage  Adjust the selection criteria
<b>Assumptions</b>		
<ul style="list-style-type: none"> <li>• All sites will be thoroughly investigated, including all the required technical surveys and testing, following the RDVRP procedures.</li> <li>• Qualified contractors are available at a reasonable cost</li> <li>• The budget foreseen is adequate to execute the identified works</li> <li>• Works will not be delayed by any future natural disasters</li> </ul>		

### 3 LESSONS LEARNT, COMPLEMENTARITY AND CROSS-CUTTING ISSUES

#### 3.1 Lessons learnt

The extensive damage to existing infrastructure indicates that formal regulations outlined in government’s policy should be applied to all infrastructure design with respect to service life and resilience to natural disasters. This will protect public investments and reduce the impact of future disasters. The following should be of paramount importance: (i) appropriate designs which will reduce the infrastructure’s vulnerability to disasters; (ii) post-implementation monitoring of completed infrastructural projects to gather information aimed at improving future designs and (iii) adequate maintenance to ensure that the infrastructure meets its intended life span.

The evaluation carried out by the World Bank following Hurricane Tomas in November 2010 indicated that risk reduction investments financed by the Bank over the past decade held up well and served their purposes when faced with a 1-in-500-year rainfall event.

Similar conclusions were reached in the evaluation of school infrastructure in Grenada following Hurricane Ivan in 2004. This and other evidence suggests that retrofitting, rehabilitation, and disaster risk mitigation investments pay off when faced with an adverse natural event.

### **3.2 Complementarity, synergy and donor coordination**

Immediately after the event took place, the European Union (EU) in collaboration with the Government of Saint Vincent and the Grenadines provided financial support for the Rapid Damage and Loss Assessment (DaLA) in the framework of the ACP-EU Natural Disaster Risk Reduction Programme, managed by the Global Facility for Disaster Reduction and Recovery (GFDRR). The DaLA conducted by the World Bank estimated the damage on account of the floods to be Euro 78.2 million which amounts to approximately 15% of the country's GDP. The Government of Saint Vincent and the Grenadines does not have all the requisite resources necessary for the recovery and mitigating efforts. This is compounded by a high debt to GDP ratio, high levels of poverty, reduced income from agricultural earnings, among other things.

In this context, the Government engaged development partners to provide assistance in the recovery efforts. The World Bank, the Caribbean Development Bank (CDB) and the Governments of Mexico and Ecuador have agreed to fund various projects to rehabilitate the infrastructure and improve the country's resilience to climate change.

The present action will also complement other existing donor-supported projects such as the CDB-funded Hurricane Tomas Rehabilitation and Reconstruction Project and Natural Disaster Management- Rehabilitation and Reconstruction Project, and the World Bank-funded Regional Disaster Vulnerability Reduction Project (RDVRP), to which it will directly contribute.

Synergies will also be thought with the 10<sup>th</sup> EDF "*ACP EU Natural Disaster Risk Management in the CARIFORUM Programme*", 2014 -2019, that is aiming at improving resilience of critical infrastructure in the transportation and water sectors in the Caribbean Region. Under this Regional programme, the following output are expected: (i) risk and resilience decision making standards and approaches for roads and transport infrastructure and water and waste water utility systems reviewed and adapted and (ii) a regional road resilience and regional water utility resilience index developed.

This European Development Fund (EDF) contribution is coherent with the Paris Declaration on Aid Effectiveness, the Accra Agenda for Action, the EU Code of Conduct, the Busan Partnership for Effective Development Cooperation and, the most recent framework for action and follow-up measures stemming from the Rio+20. The Programme will further enhance donor coordination between the EU, Saint Vincent and the Grenadines and the World Bank.

Finally, the EU will (on the basis of this Action Document) be financing roads from three separate interventions in St. Vincent and the Grenadines; Banana Accompanying Measures (BAM - indicative budget EUR 1.48 million for roads), 11<sup>th</sup> EDF A-Envelope (EUR 5.98 million) and 11<sup>th</sup> EDF B-envelope (EUR 6.5 million – not all for roads). For the B-envelope project the emphasis is transport infrastructure (i.e. also including a jetty and bridges) critical to ensure the coherence of the transport network in northern, southern and south-western Saint Vincent and the Grenadines which were affected by the 2013 December rainfall. Some of the roads targeted also (given the nature of the economy of St. Vincent and Grenadines) have agricultural linkages. For the BAM an emphasis is on the function of the roads in the Agriculture Development and Modernisation Programme (ADMP) and agricultural value chains is critical. Given the status of implementation and contracting of other BAM infrastructure components, it is currently being considered to channel more funds to the roads component of the intervention, which should be launched in September/October 2015. For the



A-envelope of the 11<sup>th</sup> EDF (EUR 5.98 million), which is to be implemented via a Contribution Agreement with the CDB, targeted roads are intended to be complementary to those of the BAM and also target access to social services and ensure relief routes during natural disasters. The initial phase of the 11<sup>th</sup> EDF project will be to establish a maintenance system and pavement management system for all roads in the country, to provide St. Vincent and Grenadines with the tools to ensure adequate future maintenance.

### **3.3 Cross-cutting issues**

Disaster risk is likely to be further exacerbated by climate change and climate variability trends. A number of climate change model predictions are broadly consistent in predicting decreases in rainfall in the Eastern Caribbean. Despite the reduction in precipitation, climate change models forecast that there is particular concern about the increasing frequency of high intensity or extreme events in the context of climate variability. The International Panel for Climate Change (IPCC) predicts that globally, the frequency of heavy precipitation or the proportion of precipitation from heavy rains will very likely increase in the 21st century. These observations imply that Caribbean countries will need to improve the design criteria applied to public infrastructure.

Taking into account the potential adverse environmental impacts related to the project which are likely to occur during the construction period include: (i) pollution from dust arising from loading, unloading and transportation of construction material, (ii) noise pollution, (iii) improper disposal of excavated construction spoil and (iv) erosion and sedimentation from exposed surfaces, the adoption and implementation of appropriate technology for the works in keeping with the local environment will be required.

As such, under the RDVRP, a Project level Environmental Assessment (EA) including an Environmental Management Framework (EMF) has been prepared. Reference is made to two groups of projects: those which would require a stand-alone Environmental Assessment and those comprising uncomplicated rehabilitation works where the impacts are limited to the construction phase (e.g., repair and retrofitting). To address these activities, procedures have been included in the Operations Manual detailing requirements for a stand-alone Environmental Assessment and the screening of uncomplicated activities for the inclusion of environmental compliance contracting clauses to mitigate construction-related impacts. The same procedures will apply to the activities financed under this project ensuring that the necessary environmental mitigation measures are put in place by the works contractors during implementation.

Socio-cultural and gender issues will also be addressed in all areas of implementation following the requirements of the implementing partner (World Bank).

While overall social impacts are expected to be positive, in the short term there are potential adverse and temporary impacts associated with disruptions to businesses, vehicular rerouting, as well as delays affecting traffic patterns. All of these are impacts of a short-term nature and are far outweighed by the expected positive long-term impacts.

Under the RDVRP, in addition to the Project-level Social Assessments which has been undertaken during Project preparation, some activities may require in-depth individual Social Assessments due to the potential nature and magnitude of the social impacts. This is most likely in cases where resettlement plans are required as a condition of subproject financing. These activities would be described in the individual activity's technical annex and would be

conducted using appropriately qualified consultants. The cost of these assessments should be budgeted for in the procurement plan and Project budget.

Furthermore, regarding the rehabilitation of roads, in accordance with the Government policies, it is necessary to incorporate green techniques in stabilising embankments and slopes in the vicinity of these roads, as far as possible. During construction or rehabilitation of rural roads, the use of labour intensive techniques, could also provide additional employment opportunities to members of the communities.

## **4 DESCRIPTION OF THE ACTION**

### **4.1 Objectives/results**

The overall objective is to contribute to the enhancement of the quality of life of residents in some of the poorest communities in Saint Vincent and the Grenadines by improving the delivery of transport services. The specific objective is to strengthen the disaster resilience of critical transport infrastructure in northern, southern and south-western Saint Vincent and the Grenadines.

The project expected results are as follows:

#### **A. Realignment and upgrading of the Ginger Village Road**

A.1 Improved resilience to extreme weather events of a critical road infrastructure in East St. George, Saint Vincent and the Grenadines.

A.2 Improved delivery of transport along the Belmont main road and improved access to and from critical social infrastructure facilities and farms.

#### **B. Reconstruction of Bridge # 2 and associated road works in Congo Valley**

B.1. Improved resilience to extreme weather events of a critical river crossing along the Congo Valley road.

B.2. Improved delivery of transport and access to a major tourist site, factories (e.g. bottling plant) and farms (banana) situated in the Congo Valley.

#### **C. Rehabilitation of Longline bridge and road**

C.1. Improved resilience to extreme weather events of a critical link road parallel to the main west coast corridor.

C.2. Improved delivery of transport along the main west coast corridor of the island.

#### **D. Reconstruction of feeder roads at *Gaskill, Fireburn/Firebun, Fergusson Mountain, Palmiste Mountain and Dandril/Dandrade***

D.1. Improved resilience of roads (including drainage) to adverse weather events.

D.2 Improved access to farmlands.

#### **E. Reconstruction of the Chateaubelair jetty**

E.1. Improved resilience to natural hazards of the Chateaubelair jetty.

E.2. Alternate route to and from other parts of the country reinstated.

### **4.2 Main activities**

The main activities of the project contributing to the expected results will include the followings:

- 1) Technical studies, including preparation of detailed design and bill of quantities for the works and the necessary environmental and social assessments.
- 2) Associated works specific to each expected results:
  - A. Realignment and upgrading of the Ginger Village Road:  
*Road realignment and construction, including drainage improvement and slope stabilisation.*
  - B. Reconstruction of Bridge # 2 and associated road works in Congo Valley:  
*Construction of a temporary bypass and construction of new permanent bridge.*
  - C. Rehabilitation of Longline bridge and road :  
*Road rehabilitation, including drainage improvement and slope stabilisation.*
  - D. Rehabilitation of feeder roads:  
*Roads reconstruction, including drainage improvement and slope stabilisation (as needed).*
  - E. Reconstruction of the Chateaubelair jetty:  
*Reconstruction of the jetty.*
- 3) Supervision of the construction activities.

Selection of the activities should be confirmed on the basis of the results of the feasibility studies being undertaken by the World Bank under the RDVRP programme. Activities to be implemented might be revised later subject to the outcome of technical studies and tender offers received as presented in more detail in the article 5.3.1.

#### **4.3 Intervention logic**

See Appendix "Indicative Logframe Matrix".

## **5 IMPLEMENTATION**

### **5.1 Financing agreement**

In order to implement this action, it is foreseen to conclude a Financing Agreement with the partner country, referred to in Article 17 of Annex IV to the ACP-EU Partnership Agreement.

### **5.2 Indicative implementation period**

The indicative operational implementation period of this action, during which the activities described in section 4.1 will be carried out and the corresponding contracts and agreements implemented, is 48 months from the date of entry into force of the financing agreement.

Extensions of the implementation period may be agreed by the Commission's authorising officer responsible by amending this decision and the relevant contracts and agreements; such amendments to this decision constitute non-substantial amendment in the sense of Article 9(4) of the Annex to Regulation (EU) No 566/2014.

### **5.3 Implementation modalities**

#### *5.3.1 Indirect management with an international organisation*

This action may be implemented in indirect management with the World Bank in accordance with Article 58(1)(c) of Regulation (EU, Euratom) No 966/2012 applicable by virtue of Article 26 of Regulation (EU) No 2015/323. The implementation entails the realisation of expected results as described under section 4. This implementation is justified because of the synergies to be gained from the USD 60.4 million World Bank-funded RDVRP which is currently being implemented. Aligning with this project is in accordance with the aid effectiveness principles. Furthermore, the support through the B-envelope has unfortunately been met with capacity constraints, which led to delays and with the World Bank already present it is the logical choice to make this linkage. Moreover, this choice of modality is in line with the fact that the B-envelope is envisaged when rehabilitation/transitional actions are necessary to prepare longer term development actions and contribute to resilience. In this context it should be noted that the implementation modality chosen should be as efficient as possible, including quick delivery on the ground as well as minimising the workload.

The entrusted entity would be responsible of the following budget-implementation tasks: (i) calls for tenders, including evaluation of offers, award and signature of contracts; (ii) financial management of contracts, including carrying out payments and recovering moneys due. Procurement methods thresholds and prior review thresholds of the RDVRP will apply.

The entrusted international organisation is currently undergoing the ex-ante assessment in accordance with Article 61(1) of Regulation (EU, Euratom) No 966/2012 applicable by virtue of Article 26 of Regulation (EU) No 2015/323. The Commission's authorising officer responsible deems that, based on the compliance with the ex-ante assessment based on Regulation (EU, Euratom) No 1605/2002 and long-lasting problem-free cooperation, the international organisation can be entrusted with budget-implementation tasks under indirect management.

The Commission authorises that the costs incurred by the entrusted entity may be recognised as eligible as of 1 May 2015 because of the emergency nature of the activities to be carried out under the project. The purpose is to ensure that the necessary technical studies and tenders for works preparation are carried out as soon as possible under the on-going RDVRP programme. This would allow for some of the tenders for the construction works financed under the project to be launched swiftly following the adoption of this decision.

Technical studies, including preparation of detailed design and bill of quantities for the activities described in section 4.2.b are to be carried out under the project. Hence, the list of activities to be financed by the EU can only be finalised when the engineer estimates are available. In case of inadequate financial support to cover the full cost of the planned interventions before and/or after the tendering process, activities will be selected according to priorities set by agreement between the EU, the World Bank and the Government of Saint Vincent and the Grenadines. In addition, to meet the objectives and expected results of the project, the Government of Saint Vincent and the Grenadines commits itself to cover from the RDVRP allocation or by its own resources.

### **5.4 Scope of geographical eligibility for procurement and grants**

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply.

The Commission's authorising officer responsible may extend the geographical eligibility in accordance with Article 22(1)(b) of Annex IV to the ACP-EU Partnership Agreement on the basis of urgency or of unavailability of products and services in the markets of the countries concerned, or in other duly substantiated cases where the eligibility rules would make the realisation of this action impossible or exceedingly difficult.

## **5.5 Indicative budget**

	<b>EU contribution (amount in EUR)</b>	<b>Indicative third party contribution, in currency identified</b>
5.3.1 – Indirect management with the World Bank	6 400 000	N.A.
5.10 – Communication and visibility	100 000	N.A.
Totals	6 500 000	

## **5.6 Organisational set-up and responsibilities**

In the light of the aid effectiveness agenda, the action of the present project will be implemented by the World Bank through their ongoing Regional Disaster Vulnerability Reduction Project (RDVRP).

The Government of Saint Vincent and the Grenadines and the World Bank will sign an addendum to the existing RDVRP agreement in order to add the action financed by the EU to the project. Implementation modalities, monitoring and evaluation of the EU component will follow the World Bank, RDVRP procedures.

The RDVRP is being implemented by the Ministry of Finance and Economic Planning, through the Public Sector Investment Programme Management Unit (PSIPMU), in the Central Planning Division. The Unit has the requisite fiduciary capacity, built from a long experience in managing World Bank-financed projects.

For implementation of civil works, the PSIPMU relies on technical support for the preparation of bidding documents and for some of the implementation supervision from relevant line ministries, including the Ministries of Transport and Works, Education, Health, and the national disaster management agencies. The technical support for more complex civil works would be done by independently contracted supervising firms.

As such, the Ministry of Works will be the technical body responsible for coordinating and managing all civil works activities under the EU component.

The PSIPMU has project management capacity and has managed safeguards aspects of several World Bank-funded projects. With the addition of the EU component a further assessment of the capacity of the Unit to perform the additional tasks will be carried out. If deemed necessary, additional staff will be recruited on a temporary or full-time basis.

## **5.7 Performance monitoring and reporting**

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process and part of the implementing partner's responsibilities. To this aim, the implementing partner shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final

reports. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its results (outputs and direct outcomes) as measured by corresponding indicators, using as reference the logframe matrix (for project modality) or the list of result indicators (for budget support). The report shall be laid out in such a way as to allow monitoring of the means envisaged and employed and of the budget details for the action. The final report, narrative and financial, will cover the entire period of the action implementation.

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

## **5.8 Evaluation**

Having regard to the nature of the action, a mid-term and a final evaluation will be carried out for this action or its components via independent consultants contracted by the implementing partner (World Bank).

A mid-term evaluation will be carried out to assess progress and review the implementation plan as deemed necessary.

The final evaluation will be carried out for accountability, learning purposes and assessment of the impact of the project on the project beneficiaries.

The evaluation reports shall be shared with the partner country and other key stakeholders. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, in agreement with the partner country, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project.

## **5.9 Audit**

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audits or expenditure verification assignments for one or several contracts or agreements.

## **5.10 Communication and visibility**

Communication and visibility of the EU is a legal obligation for all external actions funded by the EU.

This action shall contain communication and visibility measures which shall be based on a specific Communication and Visibility Plan of the Action, to be elaborated at the start of implementation by the World Bank and supported with the budget indicated in section 5.5 above.

In terms of legal obligations on communication and visibility, the measures shall be implemented by the Commission, the partner country, contractors, grant beneficiaries and/or entrusted entities. Appropriate contractual obligations shall be included in, respectively, the financing agreement, procurement and grant contracts, and delegation agreements.

The Communication and Visibility Manual for European Union External Action shall be used to establish the Communication and Visibility Plan of the Action and the appropriate contractual obligations.

The Communication and Visibility Plan of the Action will have to be discussed and pre-agreed between all three parties (World Bank, NAO (on behalf of the Government of St. Vincent and Grenadines) and EU). The budget indicated in section 5.5 above will be included within the budget of the agreement between the World Bank and the EU to be managed by the implementing partner.

## APPENDIX - INDICATIVE LOGFRAME MATRIX

The activities, the expected outputs and all the indicators, targets and baselines included in the logframe matrix are indicative and may be updated during the implementation of the action without an amendment to the financing decision. The indicative logframe matrix will evolve during the lifetime of the action: new lines will be added for listing the activities as well as new columns for intermediary targets (milestones) when it is relevant and for reporting purpose on the achievement of results as measured by indicators.

	Intervention logic	Indicators	Baselines (reference year: 2013)	Targets (incl. reference year)	Sources and means of verification	Assumptions
Overall objective: Impact	To contribute to the enhancement in the quality of life of residents in some of the poorest communities in Saint Vincent and the Grenadines.	% decline in the poverty rate % increase in employment in rural communities % increase earnings from agriculture % increase in growth in GDP	30.2% in 2007 77.47% in 2012 6.13% Contribution to GDP in 2013 2.4% real growth in 2013	15 % by 2020 87% by 2025 10% contribution to GDP by 2025 5% real growth	Economic and social reviews (source: Ministry of Finance and Economic Planning, yearly) Country Poverty Assessment (source: Ministry of Finance and Economic Planning, last in 2008) Population and Housing Census (source: Ministry of Finance and Economic Planning - every 10 years, last in 2015) Ad hoc surveys	



	Intervention logic	Indicators	Baselines (reference year: 2013)	Targets (incl. reference year)	Sources and means of verification	Assumptions
Specific objective):outcome(s)	To strengthen the disaster resilience of critical transport infrastructure in northern, southern and south-western Saint Vincent and the Grenadines	<p>reduction in the number of landslides</p> <p>reduction in number of failed roads and bridges during a natural disaster</p> <p>reduction in Ginger village area residents' commute time by December 2017</p>	<p>No of landslides</p> <p>number of roads and bridges repaired following a disaster in project area</p> <p>40 minutes commute time to Kingstown</p>	<p>50% reduction in the number of landslides</p> <p>% reduction in the number of bridges following a disaster in project area</p> <p>20 minutes commute time to Kingstown</p>	<p>DaLA conducted by the Ministry of Finance and Economic Planning following each disaster.</p> <p>Records from the traffic department</p> <p>Ad hoc Surveys</p>	

	Intervention logic	Indicators	Baselines (reference year: 2013)	Targets (incl. reference year)	Sources and means of verification	Assumptions
	<ul style="list-style-type: none"> <li>Ginger Village road realigned and upgraded.</li> </ul>	<p>100m of realigned asphalt road completed by December 2016.</p> <p>716m drainage works: culverts -16m and 700m reinforced concrete stepped outfall drainage down the slope completed by December 2016.</p> <p>Approximately 4m wide stone wall check dam in place by December 2016</p> <p>5000m<sup>3</sup> of bio-remediation completed by December 2016</p>	<p>No drainage</p> <p>No check dam in place</p> <p>No bio-remediation</p>	<p>100% of asphalt road realigned</p> <p>100% drainage works complete</p> <p>100% check dam completed</p> <p>100% of bio-remediation</p>	<p>Monthly and final reports</p> <p>Minutes of monthly meetings</p> <p>Contractual documents (certificates of provisional and final acceptance)</p> <p>ROM report(s)</p> <p>Evaluation and audit reports</p> <p>Site visits</p>	<p>Adequate support provided by the Ministry of Transport and Works,</p> <p>No future natural disasters within project timeline</p> <p>Budget is adequate and exchange rate remains stable</p> <p>Sites do not deteriorate between time of project design and project implementation</p>
	<ul style="list-style-type: none"> <li>Bridge no.2 at Congo Valley reconstructed</li> </ul>	<p>Bridge (9m span) reconstructed of reinforced concrete by December 2017</p> <p>% of motorable road by June 2018.</p> <p>% of river protection by December 2017</p>	<p>Earthen temporary ford</p> <p>15% of motorable road</p> <p>20% of river protection</p>	<p>100% RC bridge reconstruction</p> <p>50% motorable road</p> <p>60% of river protection</p>		
	<ul style="list-style-type: none"> <li>Bridge and roads at Longline reconstructed</li> </ul>	<p>91.4 m and 24.4 m of upper and lower embankment respectively, stabilised by July 2016.</p> <p>Bridge (4.5m span) reconstructed by July 2016.</p>	<p>20% of slopes stabilised</p> <p>25% of bridge is usable</p>	<p>80% of stabilised slopes completed by January 2017.</p> <p>100% of bridge reconstructed.</p>		
	<ul style="list-style-type: none"> <li>Feeder roads at Gaskill, Firebun/Fireburn, Fergusson Mountain Road, Palmiste Mountain Road and Dandril/Dandrade reconstructed</li> </ul>	<p><i>Gaskill</i>: 304.8m of road and drainage works rehabilitated by . <i>Firebun/Fireburn</i>: retaining wall constructed with drainage and road repaired and upgraded.</p> <p><i>Fergusson Mountain Road</i>: 609m of road reconstructed by December 2017.</p> <p><i>Palmiste Mountain Road</i>: 1341.1m of road rehabilitated and bridge reconstructed by</p>	<p>25% of roads is motorable.</p>	<p>80% of roads is motorable by June 2017</p>		

