



TRUST FUND FOR APPROVAL BY THE DEPUTY EXECUTIVE DIRECTOR

5) To:	Division	Room	Signature and Date
Mr. Amir Abdulla Deputy Executive Director	DED	6G60	
4) Through:	Division	Room	Signature and Date
Ms. Elisabeth Rasmusson Assistant Executive Director	PG	6G72	
3) Through:	Division	Room	Signature and Date
Mr. Manoj Juneja Assistant Executive Director	RM	6G00	
2) Through:	Division	Room	Signature and Date
Ms. Valerie Guarnieri Assistant Executive Director	OS	6G62	
1) From:	RBP	Signature and Date	
Miguel Barreto Regional Director	RBP		

“Caribbean¹ Regional Trust Fund”

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| <input type="checkbox"/> Action | <input checked="" type="checkbox"/> Approval | <input type="checkbox"/> Comment | <input type="checkbox"/> File |
| <input type="checkbox"/> Information | <input type="checkbox"/> Investigate and report | <input type="checkbox"/> More details | <input type="checkbox"/> Note and return |
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Subject: Creation of a new multi-donor Regional Trust Fund for the Caribbean to Enhance Emergency Preparedness for USD 4.8 million budget ceiling

Number of beneficiaries: n/a (no Tier 1 beneficiaires)
 Duration of entire project: 2 years (01 May 2018 – 30 April 2020)
 DSC/DOC ratio (as %): 8.38

¹ The countries concerned are the participating States in CDEMA (Caribbean Disaster Emergency Management Agency), including Anguilla, Antigua and Barbuda, Bahamas, Barbados, Belize, Dominica, Grenada, Guyana, Haiti, Jamaica, Montserrat, St. Kitts and Nevis, St. Lucia, St. Vincente and the Grenadines, Suriname, Trinidad and Tobago, Turks and Caicos Islands and Virgin Islands.



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1. Background

The Caribbean region comprises small states with significant population living in urban centres. These developing economies are highly vulnerable to natural hazards which have adverse impacts on livelihoods, vital infrastructures and overall on development gains. Hydro meteorological hazards (hurricanes, floods, wind storms, landslides and drought), exacerbated by climate change, along with seismic hazards, such as earthquakes and volcanic eruptions are the most common natural hazards in the region.

Worldwide, the situations necessitating emergency response have become increasingly complex. The 2017 hurricane season in the Caribbean is an example. In only one week, three category V hurricanes (Irma, Jose and Maria) hit the Caribbean, leaving some of the islands almost completely devastated. National and regional entities must adapt to this shifting reality and ensure that its human resources, systems and tools are adequately prepared.

This Trust Fund takes into consideration recommendations from an internal lessons learnt exercise conducted in the aftermath of the hurricane season with regards to the main activities undertaken, including programme, supply chain and emergency telecommunication components. Furthermore, it considers the set of recommendations emerging from the Study on Shock-Responsive Social Protection in Latin America and the Caribbean (LAC), conducted by WFP in collaboration with the Oxford Policy Management (OPM), which generated evidence and informed practice for improved emergency preparedness and response in LAC, linked to more flexible national social protection systems.

The divide between the humanitarian and the development agendas cannot be neglected any longer after the commitments arose at the World Humanitarian Summit (Istanbul, 2015). The linkages between social protection, disaster risk management, climate change adaptation and resilience need to be tackled together as stated in the Grand Bargain and in the United Nations Secretary General's Agenda for Humanity. The documents advocate for a shift from disproportionate focus on crisis management and response towards investing in crisis prevention and building up community resilience, moving from delivering to ending needs. Ending needs will require three fundamental shifts in the way we work: (1) reinforce, do not replace national systems. (2) Anticipate, do not wait for crisis; (3) transcend the humanitarian-development divide.

Based on this rationale, WFP aims to contribute to strengthening CDEMA, and its participating states, readiness and enhance its preparedness in the area of programme, specifically by adapting national social protection system to respond to shocks and link them to resilience building and climate change adaptation and by strengthening the early warning systems, supply chain and emergency telecommunication.

2. Purpose of the Trust Fund

CDEMA is mandated to provide guidance and oversight on disaster management to the eighteen participating states of the Caribbean and, in this regard, has developed a Comprehensive Disaster Management (CDM) strategy for the period 2014-2024.



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Due to the significant degree of complexity experienced during the last hurricane season, WFP was requested to support the sub-region, in collaboration with other stakeholders. As a result of WFP efforts during the emergency response and early recovery, the organization is in a position to contribute to strengthening the capacities of national governments and CDEMA. This will be done through a multi-year and multi-dimensional approach focused on promoting preparedness so that actors will be able to manage risks in real time and ensure rapid, appropriate and effective response in order to provide a good return of investment.

In the past, WFP with other UN agencies, including UNICEF and OCHA, had worked with CDEMA in the framework of emergency preparedness within a DFID project - phase II - (July 2016) by organizing an inter-agency simulation in Barbados for CDEMA' participating States. During the 2017 hurricanes season two IR-EMOPs have been implemented (Western Caribbean IR-EMOP 201104, Eastern Caribbean IR-EMOP 201105) and are now closed. The Special Operation (SO 201106) was being extended until 29 March 2018. There is currently an EMOP implemented in Dominica to respond to the most affected vulnerable people hit by hurricane Maria (EMOP 201109) which will be extended until the end of 2018.

WFP Strategic Goal: “Partner to Support Implementation of the Sustainable Development Goals” (SDG 17 – Strategic Goal 2);

WFP Strategic Objective: “Support SDGs Implementation” (SO 4)

WFP Strategic Results: CDEMA and its member states have strengthened capacity to implement the SDGs (SR 5, SDG 17.9)

Strategic Outcome: National governments and regional public institutions in the Caribbean have strengthened capacity to respond to natural disasters by 2020.

Outputs:

- (a) Populations vulnerable to natural disasters benefit from strengthened needs assessment methods, planning processes and analysis capacities of national institutions in CDEMA participating States in order to protect their access to food and their livelihoods;
- (b) Community members benefit from logistics and telecommunication augmentation and strategic prepositioning of logistics equipment and supplies in the most vulnerable CDEMA participating member states in order to protect their access to food and their livelihoods;
- (c) Vulnerable populations affected by natural disasters benefit from strengthened shock-responsive social protection systems in CDEMA participating member states in order to protect their access to food and their livelihoods; and
- (d) Community members benefit from enhanced early warning system, insurance schemes, vulnerability analysis, mapping and monitoring tools in order to increase their resilience to climate change.

Activity: Provide technical assistance and capacity strengthening to CDEMA and its member states (corporate activity 9; modality: capacity strengthening)

Focus area: Resilience building



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Beneficiaries: No direct beneficiaries (tier 1) are foreseen.

Capacity strengthening and technical assistance to CDEMA and its main counterparts at national level is envisaged. Technical support will be provided through different tools, including, *inter alia*, guidelines, toolkits and manuals for CDEMA and member states, a package of tailored trainings, simulations, revised contingency planning and standard operational procedures, study visits and/or South-South cooperation exchanges, deployment of technical expertise and workshops.

3. Parameters of the Trust Fund

This Trust Fund is a multi-donor trust fund, managed by the Head of Office of WFP Barbados in coordination with the UN system and with the support and oversight of the Panama Regional Bureau, under the overall responsibility of the Regional Director. The budget will be managed and utilised under the Barbados CBP and not be directly allocated to other country offices.

Several contributions are ready to be confirmed once the Trust Fund is approved, including US\$2 million from ECHO, US\$100,000 from Mexico and approximately US\$300,000 from the private sector. Talks are ongoing with other donors such as the US and RBP is confident the Trust Fund will be well funded.

This Trust Fund aims to directly strengthen the Caribbean Disaster Emergency Management Agency (CDEMA)'s operational capacity to better prepare and respond to sudden shocks, and indirectly also strengthen national governmental staff and their systems to be ready and well equipped to respond to emergencies.

The duration of this Trust Funds is of two years (01/05/2018 – 30/04/2020). On 21 March 2007, WFP had signed a Memorandum of Understanding with the Caribbean Disaster Emergency Response Agency (CDERA), which has then changed its name into CDEMA. If need be, an amendment to the current MoU will be signed reflecting the activities envisaged in this Regional Trust Fund. CDEMA has agreed to partner with WFP to provide this technical assistance in the above-mentioned areas for collaboration.

4. Budget

INDICATIVE ANNUAL BUDGET REQUIREMENT				
<i>(USD)</i>				
	Year 1	Year 2	Year 3	Total
	2018	2019	2020	
Strategic Outcome 1	\$1,872,864	\$2,279,417	\$668,127	\$4,820,409
TOTAL	\$1,872,864	\$2,279,417	\$668,127	\$4,820,409

INDICATIVE COST BREAKDOWN ALONG STRATEGIC OUTCOME		
<i>(USD)</i>		
WFP Strategic Results / SDG Targets	SR 5, SDG 17.9	Total
WFP Strategic Outcomes	Strategic Outcome 1	
Transfer	\$4,176,281	\$4,176,281
Implementation	\$0	\$0
Adjusted DSC (%)	\$349,924	\$349,924
Sub-total	\$4,526,206	\$4,526,206
ISC (6.5%)	\$294,203	\$294,203
TOTAL	\$4,820,409	\$4,820,409

5. Reporting/Auditing Requirements

Narrative reporting will be produced yearly by the newly established office in Barbados, with the support of the technical units in the Panama Regional Bureau. Financial reporting will continue to be provided to the donors in line with WFP standard procedures, including a final financial report certified by WFP. The TF will respect requirements from the donors as per WFP rules and regulations. Individual agreements will be signed with donors contributing at the time of the confirmation of the funds.

This TF shall be subject exclusively to the internal and external auditing procedures provided for in WFP's financial rules and regulations.

6. Indirect Support Cost (ISC) rate

An ISC rate of 6.5 percent will be applied in line with the Executive Board decision in November 2017.

7. Resource management / Risk Management

- a. The contributions will be made in several currencies. These amounts will be converted into USD using the UN Operational Rate of Exchange (UNORE) 'rate' at the time when the contribution will be transferred to WFP bank account.



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- b. Interest income will be treated in line with Executive Director' Circular OED2016/006.
- c. The strategy is ambitious and covers a broad range of stakeholders, activities and complementarity with national programmes and with a regional organization. Two main risks can be identified; first, that additional large-scale disasters during the implementation period occur. This risk must be accepted, but mitigating measures include a shift in focus on the response to be built on what has been done so far in the Caribbean region with CDEMA and some of the national government (e.g. Dominica) enabling temporary suspension of activities without losing overall momentum. A second risk is insufficient resources. This can be mitigated again by ensuring a prioritization decided with CDEMA in order to avoid starting activities which cannot be completed, until further funding is confirmed.
- d. The technical units of the Panama Regional Bureau will provide technical support to the office to be established in Barbados in the different areas of expertise as well as will perform oversight missions to ensure implementation of activities is in line with internal rules and regulations. Further support will be provided locally through an agreement with the local UNDP office for Barbados and the Organization of Eastern Caribbean States (OECS). A monitoring plan will be established, identifying performance and output indicators for the suggested activities. In line with the corporate results framework (CRF), the Capacity Needs Mapping exercise (CNM/ZHSC) will be conducted at the beginning of the project to identify specific gaps and required milestones to achieve the planned objectives. Progress will be monitored yearly. At the end of the project, a qualitative review of the project will be conducted to highlight main achievements and challenges.

Recommendation

Following WFP procedures, and in compliance with ED Circular (OED2016/006), it is recommended that a Trust Fund be established for WFP – Caribbean - in the amount of USD 4.8 million TF Ceiling– *Regional Trust Fund for the Caribbean to Enhance Emergency Preparedness* for two years.