



## ADAPTATION FUND

AFB/PPRC.18-19/2  
6 June 2016

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Adaptation Fund Board  
Project and Programme Review Committee

### **PROPOSAL FOR ANTIGUA AND BARBUDA**

## Background

1. The Operational Policies and Guidelines (OPG) for Parties to Access Resources from the Adaptation Fund (the Fund), adopted by the Adaptation Fund Board (the Board), state in paragraph 45 that regular adaptation project and programme proposals, i.e. those that request funding exceeding US\$ 1 million, would undergo either a one-step, or a two-step approval process. In case of the one-step process, the proponent would directly submit a fully-developed project proposal. In the two-step process, the proponent would first submit a brief project concept, which would be reviewed by the Project and Programme Review Committee (PPRC) and would have to receive the endorsement of the Board. In the second step, the fully-developed project/programme document would be reviewed by the PPRC, and would ultimately require the Board's approval.

2. The Templates approved by the Board (OPG, Annex 4) do not include a separate template for project and programme concepts but provide that these are to be submitted using the project and programme proposal template. The section on Adaptation Fund Project Review Criteria states:

*For regular projects using the two-step approval process, only the first four criteria will be applied when reviewing the 1st step for regular project concept. In addition, the information provided in the 1st step approval process with respect to the review criteria for the regular project concept could be less detailed than the information in the request for approval template submitted at the 2nd step approval process. Furthermore, a final project document is required for regular projects for the 2nd step approval, in addition to the approval template.*

3. The first four criteria mentioned above are:

1. Country Eligibility,
2. Project Eligibility,
3. Resource Availability, and
4. Eligibility of NIE/MIE.

4. The fifth criterion, applied when reviewing a fully-developed project document, is:

5. Implementation Arrangements.

5. It is worth noting that since the twenty-second Board meeting, the Environmental and Social (E&S) Policy of the Fund was approved and consequently compliance with the Policy has been included in the review criteria both for concept documents and fully-developed project documents. The proposals template was revised as well, to include sections requesting demonstration of compliance of the project/programme with the E&S Policy.

6. In its seventeenth meeting, the Board decided (Decision B.17/7) to approve "Instructions for preparing a request for project or programme funding from the Adaptation Fund", contained in the Annex to document AFB/PPRC.8/4, which further outlines applicable review criteria for both concepts and fully-developed proposals. The latest version of this document was launched in conjunction with the revision of the Operational Policies and Guidelines in November 2013.

7. Based on the Board Decision B.9/2, the first call for project and programme proposals was issued and an invitation letter to eligible Parties to submit project and programme proposals to the Fund was sent out on April 8, 2010.

8. At its twenty-third meeting, the Adaptation Fund Board (the Board) discussed a recommendation made by the Project and Programme Review Committee (PPRC) of the Board, on arranging intersessional review of project and programme proposals. Having considered the comments and recommendation of the PPRC, the Board decided to:

- (a) *Arrange one intersessional project/programme review cycle annually, during an intersessional period of 24 weeks or more between two consecutive Board meetings, as outlined in document AFB/PPRC.14/13;*
- (b) *While recognizing that any proposal can be submitted to regular meetings of the Board, require that all first submissions of concepts and fully-developed project/programme documents continue to be considered in regular meetings of the PPRC;*
- (c) *Request the secretariat to review, during such intersessional review cycles, resubmissions of project/programme concepts and fully-developed project/programme documents submitted on time by proponents for consideration during such intersessional review cycles;*
- (d) *Request the PPRC to consider intersessionally the technical review of such proposals as prepared by the secretariat and to make intersessional recommendations to the Board;*
- (e) *Consider such intersessionally reviewed proposals for intersessional approval in accordance with the Rules of Procedure;*
- (f) *Inform implementing entities and other stakeholders about the new arrangement by sending a letter to this effect, and make the calendar of upcoming regular and intersessional review cycles available on the Adaptation Fund website and arrange the first such cycle between the twenty-third and twenty-fourth meetings of the Board;*
- (g) *Request the PPRC to defer to the next Board meeting any matters related to the competencies of the Ethics and Finance Committee that may come up during the intersessional review of projects/programmes and to refrain from making a recommendation on such proposals until the relevant matters are addressed; and*
- (h) *Request the secretariat to present, in the fifteenth meeting of the PPRC, and annually following each intersessional review cycle, an analysis of the intersessional review cycle.*

**(Decision B.23/15)**

9. At the twenty-fifth Board meeting, the secretariat had requested to the Board to consider whether the rules in the intersessional project review cycle could be made more accommodating, with a view to speeding up the process. The Board subsequently decided to:

- (a) *Amend Decision B.23/15 and require that all first submissions of concepts under the two-step approval process and all first submissions of fully-developed project/programme documents under the one-step process continue to be considered in regular meetings of the Project and Programme Review Committee (PPRC);*

- (b) *Request the secretariat to review, during its inter-sessional review cycles:*
- (i) *First submissions of fully-developed project/programme documents for which the concepts had already been considered in regular meetings of the PPRC and subsequently endorsed by the Board;*
  - (ii) *Resubmissions of project/programme concepts and resubmissions of fully-developed project/programme documents;*
- (c) *Request the PPRC to consider intersessionally the technical review of such proposals as prepared by the secretariat and to make intersessional recommendations to the Board;*
- (d) *Consider such intersessionally reviewed proposals for intersessional approval in accordance with the Rules of Procedure; and*
- (e) *Inform implementing entities and other stakeholders about the updated arrangement by sending a letter to this effect, and make effective such amendment as of the first day of the review cycle between the twenty-fifth and twenty-sixth meetings of the Board.*

*(Decision B.25/2)*

10. The following project concept document titled “An integrated approach to physical adaptation and community resilience in Antigua and Barbuda’s northwest McKinnon’s watershed” was submitted by the Department of Environment, Ministry of Health and the Environment, Antigua and Barbuda, which is a National Implementing Entity of the Adaptation Fund.

11. This is the second submission of the proposal. It was first submitted as a concept to the twenty-seventh meeting of the Adaptation Fund Board, along with a request for Project Formulation Grant (PFG), and the Board decided to:

- a) *Not endorse the project concept, as supplemented by the clarification response provided by the Antigua and Barbuda Environment Department to the request made by the technical review;*
- b) *Suggest that the Antigua and Barbuda Environment Department reformulate the proposal taking into account the observations in the review sheet annexed to the notification of the Board’s decision, as well as the following issues:*
  - (i) *To fully build the logic of the project, the proposal should strengthen the climate change rationale for the project, including by clearly indicating which climate change impacts are being addressed by the project components, possibly by combining the section titled “threats” and “barriers to action and adaptive capacity” linked with project components accordingly;*
  - (ii) *The proponent should consider strengthening the community-driven and community-owned components of this project to complement government action,*

*and more clearly outline how it will engage and involve women and other marginalized groups;*

*(iii) The proposal should provide additional detail on the intended scope and specifically, the adaptation benefit/review criteria, of the micro-loan program, which will be in part capitalized with Adaptation Fund funds;*

*(iv) The adaptation benefit from changing practices in wastewater management is not directly clear. The proposal should clarify these activities, and consider addressing non-point sources of pollution;*

*c) Not approve the Project Formulation Grant of US\$ 30,000; and*

*d) Request Antigua and Barbuda Environment Department to transmit the observations referred to in sub-paragraph (b) to the Government of Antigua and Barbuda.*

*(Decision B.27/7)*

12. The present submission was received by the secretariat in time to be considered for the intersessional project/programme proposal review cycle between the twenty-seventh and twenty-eighth meetings. The secretariat carried out a technical review of the project proposal, with the diary number ATG/NIE/Multi/2016/1, and completed a review sheet.

13. In accordance with a request to the secretariat made by the Board in its 10th meeting, the secretariat shared this review sheet with the Department of Environment, and offered it the opportunity of providing responses before the review sheet was sent to the PPRC.

14. The secretariat is submitting to the PPRC the summary and, pursuant to decision B.17/15, the final technical review of the project, both prepared by the secretariat, along with the final submission of the proposal in the following section. In accordance with decision B.25/15, a response table is also attached, explaining where and how the observations made by the Board when not endorsing the project concept at its twenty-seventh meeting had been addressed by the proponent in the project concept submitted for this intersessional review. The the proposal is submitted with changes between the initial submission and the revised version highlighted.

## Project Summary

Antigua and Barbuda – An integrated approach to physical adaptation and community resilience in Antigua and Barbuda’s northwest McKinnon’s watershed

Implementing Entity: *Department of Environment, Ministry of Health and the Environment*

Project/Programme Execution Cost: USD 945,000

Total Project/Programme Cost: USD 9,970,000 (plus 30,000 for project formulation grant)

Implementing Fee: USD N/A

Financing Requested: USD 10,000,000

### Project Background and Context:

An integrated approach to physical adaptation and community resilience in Antigua and Barbuda’s northwest McKinnon’s watershed seeks to reduce vulnerability of the community, by increasing the ability of the watershed to handle extreme rainfall, while increasing the resilience of the built environment simultaneously to cope with the multiple stressors of climate change. This integrated approach will ensure that the community as a whole will be able to withstand projected climate change impacts while the ecosystems can accommodate increased rainfall.

Component 1: Upgrade urban drainage and waterways to meet projected climate change impacts (USD 3,535,000)

This component aims to implement concrete adaptation actions that support natural and physical drainage systems along the 3 km urban and semi-urban waterways to meet projected climate change, in particular extreme hydro-meteorological events and disease vectors. These interventions will use a variety of approaches including ecosystem-based adaptation, such as wetland restoration to address disease vectors, and engineering solutions, such as drainage and retention ponds, to build resilience to climate impacts. These interventions, outlined in the 2001 local area plan, will be revised and updated through detailed engineering designs that reflect the latest climate change projections.

Component 2: Revolving Loans for homes in McKinnon’s watershed to meet new adaptation guidelines established in the building code and physical plan (USD 3,110,000)

Activities under this component will work towards disbursing concessional loans through a revolving fund mechanism to vulnerable households to meet new adaptation guidelines and standards for built infrastructure to withstand extreme climate variability. These home interventions are to include water harvesting, hurricane shutters, mosquito screens, water storage, and other adaptation measures.

Component 3: Adaptation mainstreaming and capacity building in NGOs and community groups to sustain project interventions (USD 2,380,000)

This component will support social adaptive capacity and local ownership of adaptation through community-awarded contracts and climate resilient community built infrastructure such as community centers, schools and clinics. This will include interventions to allow the buildings to withstand hurricanes and droughts.



ADAPTATION FUND

## ADAPTATION FUND BOARD SECRETARIAT TECHNICAL REVIEW OF PROJECT/PROGRAMME PROPOSAL

PROJECT/PROGRAMME CATEGORY: Regular-sized Project Concept

Country/Region: **Antigua and Barbuda**Project Title: **An integrated approach to physical adaptation and community resilience in Antigua and Barbuda's northwest McKinnon's watershed**AF Project ID: **ATG/NIE/Multi/2016/1**

IE Project ID:

Requested Financing from Adaptation Fund (US Dollars): **\$10,000,000**Reviewer and contact person: **Mikko Ollikainen**Co-reviewer(s): **Shyla Raghav**IE Contact Person: **H.E. Amb. Diann Black-Layne, Ruleta Camacho Thomas, Ministry of Health and the Environment**

| Review Criteria     | Questions                                                                                                                                | Comments on 2 May 2016                                                                                                                                                                                                    | Comments on 23 May 2016 |
|---------------------|------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|
| Country Eligibility | 1. Is the country party to the Kyoto Protocol?                                                                                           | Yes                                                                                                                                                                                                                       |                         |
|                     | 2. Is the country a developing country particularly vulnerable to the adverse effects of climate change?                                 | Yes, Antigua and Barbuda is a small island developing state in the Caribbean, and primarily impacted by sea level rise, and extreme weather events such as drought.                                                       |                         |
| Project Eligibility | 1. Has the designated government authority for the Adaptation Fund endorsed the project/programme?                                       | Yes, a letter has been provided signed by the DA.                                                                                                                                                                         |                         |
|                     | 2. Does the project / programme support concrete adaptation actions to assist the country in addressing adaptive capacity to the adverse | Yes, the project proposal clearly outlines the range of climate change impacts in the country and target region, as well as how the intended activities directly address the main vulnerabilities. Some additional detail |                         |

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|  | effects of climate change and build in climate resilience?                                                                                                                                                                                                                       | at this stage would be useful for Component 1, however.<br><b>CR1:</b> Please provide some additional detail about the scale and types of activities intended for Component 1.                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <b>CR1:</b> Addressed sufficiently for the concept stage – considering that additional technical detail will be elaborated at the fully-developed proposal stage.                                                                |
|  | 3. Does the project / programme provide economic, social and environmental benefits, particularly to vulnerable communities, including gender considerations, while avoiding or mitigating negative impacts, in compliance with the Environmental and Social Policy of the Fund? | Yes, mostly addressed. More detail would be useful and minor clarification is requested. Please note that significant more detail on the range (and quantification) of benefits will be required for the fully-developed proposal stage.<br><b>CR2:</b> Please expand on the range of environmental benefits intended from Component 1.<br><b>CR3:</b> Please clarify in this section how gender considerations will be taken into account.<br><b>CR4:</b> Please expand on the process and intended components of the ToRs for the EIA (link to relevant section on national standards), particularly to expand on the social components of the assessment. | <b>CR2:</b> Addressed. Please consider structuring this section by outlining the environmental, social, and economic benefits together for the fully-developed proposal.<br><b>CR3:</b> Addressed.<br><br><b>CR4:</b> Addressed. |
|  | 4. Is the project / programme cost effective?                                                                                                                                                                                                                                    | Addressed for this stage.<br><b>CR5:</b> To the extent possible, please assign economic values to the alternatives outlined.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <b>CR5:</b> Addressed sufficiently for the concept stage. More detail will be important for fully-developed proposal.                                                                                                            |
|  | 5. Is the project / programme consistent with national or sub-national sustainable development strategies, national or sub-national development plans, poverty reduction strategies, national communications and                                                                 | Yes, the project appears to be very well aligned with relevant policies, strategies, and programs.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                  |
|  |                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                  |



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|  | adaptation programs of action and other relevant instruments?                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                             |
|  | 6. Does the project / programme meet the relevant national technical standards, where applicable, in compliance with the Environmental and Social Policy of the Fund? | Yes, addressed.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                             |
|  | 7. Is there duplication of project / programme with other funding sources?                                                                                            | Yes, the proponent has demonstrated how the project builds on existing programmes.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                             |
|  | 8. Does the project / programme have a learning and knowledge management component to capture and feedback lessons?                                                   | Yes, addressed sufficiently for the concept stage.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                             |
|  | 9. Has a consultative process taken place, and has it involved all key stakeholders, and vulnerable groups, including gender considerations?                          | <p>Requires further clarification. Although consultations with communities as part of other initiatives, the AF requires initial consultations at the concept stage on the proposed interventions as well as with vulnerable groups (including women) and civil society organizations to ensure full community buy-in.</p> <p><b>CR6:</b> Please clarify how representatives of the community have been made aware of the concept proposal and if they have been given an opportunity to provide inputs to the proposal design.</p> <p><b>CR7:</b> Please clarify how the proponent can state with confidence that the</p> | <p><b>CR6:</b> Addressed.</p> <p><b>CR7:</b> Addressed.</p> |

|  |                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                        |
|--|------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|
|  |                                                                                                                  | community would be supportive of the project and feature of the project not covered in the consultation report on 2015, such as micro loans.                                                                                                                                                                                                                                                                                                                                                        |                        |
|  | 10. Is the requested financing justified on the basis of full cost of adaptation reasoning?                      | Yes, addressed sufficiently for this stage.                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                        |
|  | 11. Is the project / program aligned with AF's results framework?                                                | Yes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                        |
|  | 12. Has the sustainability of the project/programme outcomes been taken into account when designing the project? | Yes, the innovative revolving loan program will ensure the long-term financial sustainability of the program. The community-based components also ensure enhanced adaptive capacities of communities themselves. However, additional detail would be useful.<br><b>CR8:</b> Please provide information on the sustainability of interventions in components 1 and 3.                                                                                                                                | <b>CR8:</b> Addressed. |
|  | 13. Does the project / programme provide an overview of environmental and social impacts / risks identified?     | Yes, but further detail will be required at the fully-developed proposal stage on how the project will select intended beneficiaries of the project with a view to supporting marginalized and vulnerable groups. Also, please note that the review will expect information on technical specifications of the project as well as E&S assessments at the fully-developed proposal stage rather than as a part of project implementation unless the project design itself precludes this assessment. |                        |

|                             |                                                                                                                                                        |                                                                                                                         |                        |
|-----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|------------------------|
|                             |                                                                                                                                                        | <b>CR9:</b> Please confirm the intent to develop a plan to manage potential social, environmental, and financial risks. | <b>CR9:</b> Addressed. |
| Resource Availability       | 1. Is the requested project / programme funding within the cap of the country?                                                                         | Yes                                                                                                                     |                        |
|                             | 2. Is the Implementing Entity Management Fee at or below 8.5 per cent of the total project/programme budget before the fee?                            | Yes                                                                                                                     |                        |
|                             | 3. Are the Project/Programme Execution Costs at or below 9.5 per cent of the total project/programme budget?                                           | Yes                                                                                                                     |                        |
| Eligibility of IE           | 4. Is the project/programme submitted through an eligible Implementing Entity that has been accredited by the Board?                                   | Yes, it has been submitted by an accredited NIE.                                                                        |                        |
| Implementation Arrangements | 1. Is there adequate arrangement for project / programme management?                                                                                   | N/A                                                                                                                     |                        |
|                             | 2. Are there measures for financial and project/programme risk management?                                                                             | N/A                                                                                                                     |                        |
|                             | 3. Are there measures in place for the management of for environmental and social risks, in line with the Environmental and Social Policy of the Fund? | N/A                                                                                                                     |                        |
|                             | 4. Is a budget on the                                                                                                                                  | N/A                                                                                                                     |                        |

|  |                                                                                                                                                                                 |                                                                                                               |  |
|--|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------|--|
|  | Implementing Entity Management Fee use included?                                                                                                                                | For future reference, please ensure no overlap and distinction between use of the IE fee and execution costs. |  |
|  | 5. Is an explanation and a breakdown of the execution costs included?                                                                                                           | N/A                                                                                                           |  |
|  | 6. Is a detailed budget including budget notes included?                                                                                                                        | N/A<br>For future reference, please note that a full budget with notes is required for the next stage.        |  |
|  | 7. Are arrangements for monitoring and evaluation clearly defined, including budgeted M&E plans and sex-disaggregated data, targets and indicators?                             | N/A                                                                                                           |  |
|  | 8. Does the M&E Framework include a break-down of how implementing entity IE fees will be utilized in the supervision of the M&E function?                                      | N/A                                                                                                           |  |
|  | 9. Does the project/programme's results framework align with the AF's results framework? Does it include at least one core outcome indicator from the Fund's results framework? | N/A                                                                                                           |  |
|  | 10. Is a disbursement schedule with time-bound milestones included?                                                                                                             | N/A                                                                                                           |  |

|                   |                                                                                                                                                                                                                        |
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| Technical Summary | The proposed project concept includes several innovative measures to enhance the resilience of Antigua and Barbuda's northwest McKinnon's watershed, including a combination of ecosystem-based adaptation, innovative |
|-------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

finance, and capacity building. The proposal demonstrates a coherent logic to address climate threats in the small island developing state context in an innovative manner. Further detail is requested in a few areas to clarify the intended scope of the project, recognizing that significant additional detail will be supplied at the fully-developed proposal stage.

The initial technical review made the following clarification requests (CRs):

- CR1:** Please provide some additional detail about the scale and types of activities intended for Component 1.
- CR2:** Please expand on the range of environmental benefits intended from Component 1.
- CR3:** Please clarify in this section how gender considerations will be taken into account.
- CR4:** Please expand on the process and intended components of the ToRs for the EIA (link to relevant section on national standards), particularly to expand on the social components of the assessment.
- CR5:** To the extent possible, please assign economic values to the alternatives outlined.
- CR6:** Please clarify how representatives of the community have been made aware of the concept proposal and if they have been given an opportunity to provide inputs to the proposal design.
- CR7:** Please clarify how the proponent can state with confidence that the community would be supportive of the project and feature of the project not covered in the consultation report on 2015, such as micro loans.
- CR8:** Please provide information on the sustainability of interventions in components 1 and 3.
- CR9:** Please confirm the intent to develop a plan to manage potential social, environmental, and financial risks.

The final technical review finds that the revised proposal has sufficiently addressed the issues that were raised in the initial technical review. The revised proposal includes additional detail to clarify the plans to further refine crucial details of the project prior to the submission of the fully-developed proposal. It is recommended that the proponent pay particular attention in the development of the proposal to the following issues:

- (a) The proposal should demonstrate how the feedback from community consultations has been reflected in the project design;
- (b) The proposal should specify, to the extent possible, the specific and concrete interventions that the project will support (including scale, scope, number of beneficiaries, etc.); and
- (c) Recognizing both the innovative nature of and inherent uncertainty of the allocation of AF funds, the proposal should provide the entire set of guidelines, procedures, and terms for the revolving micro-loan program.

Date:

6 June 2016



ADAPTATION FUND

**REQUEST FOR PROJECT/PROGRAMME  
FUNDING FROM THE ADAPTATION FUND**

**An integrated approach to physical adaptation and community resilience in  
Antigua and Barbuda's northwest McKinnon's watershed**

*Submitted by the*

**Department of Environment  
Government of Antigua and Barbuda**

*Accredited National Implementing Entity to the Adaptation Fund*



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## PROJECT/PROGRAMME PROPOSAL TO THE ADAPTATION FUND

Project/Programme Category: Program  
Country: Antigua and Barbuda  
Sectors: Coastal Infrastructure, Buildings and Environment, Livelihoods

Title Of Project/Programme: **An integrated approach to physical adaptation and community resilience in Antigua and Barbuda's northwest McKinnon's watershed**

Type Of Implementing Entity: National Implementing Entity  
Implementing Entity: Department of Environment  
Ministry of Health and The Environment

Executing Entity: Department Of Environment  
Amount Requested: US\$10m (in U.S Dollars equivalent)

### **Project Background and Context:**

#### ***Geographical Context***

Antigua and Barbuda is a twin-island state located in the eastern region of the Caribbean Sea (Figure 1). Most of the country's land area consists of two large islands – Antigua and Barbuda – with a number of smaller inhabited and uninhabited islands. The islands lie on a 3,400-km<sup>2</sup> sub-marine plateau and have an exclusive economic zone of approximately 110,071 km<sup>2</sup> – significantly larger than Antigua's landmass of 280 km<sup>2</sup>. Antigua is fringed by 25 km<sup>2</sup> of coral reef on its north, east and south coasts, and by sandy beaches on the west coast, all of which are vital to the country's tourism and fisheries sectors. Barbuda is a flat coral island with an area of 161 km<sup>2</sup>, predominantly consisting of limestone flats.

Antigua's topography is varied, comprising three distinct geological zones: i) a mountainous region of volcanic soils in the southwest; ii) central plains of clay-like soils stretching to the east; and iii) limestone hills in the north. The highest point of the island is Mount Obama at 402 m, located on the southwest corner of the island.



Figure 1. Geographical location of Antigua and Barbuda in the Caribbean<sup>1</sup>

### **Socio-economic Context**

Antigua and Barbuda's population is approximately 91,000 (2014)<sup>2</sup> and is anticipated to reach 115,000 by 2050<sup>3</sup>. In 2012, 70% of the population was classified as rural, with 30% as urban<sup>4</sup>, with a trend towards increasing urbanization. Antigua and Barbuda is considered to be an upper middle-income country by the World Bank, where ~14% of the population live on less than US\$7 per day<sup>5</sup>. This is the second lowest poverty level among English-speaking nations in the Caribbean.

Historically, Antigua and Barbuda had an agricultural economy of primarily sugar and rum – from 1632 to 1981 Antigua and Barbuda was a colony of England. In 1981, it gained independence but remained a member of the Commonwealth<sup>6</sup>. While historically agricultural, Antigua and Barbuda's current economy is based on a service industry, with tourism contributing approximately 60% to the GDP<sup>7</sup>. Consequently, the economy is largely reliant on foreign exchange through visiting tourists. The islands' many beaches and areas of high biodiversity are among its numerous attractions. Agriculture now contributes about 3% of GDP, mostly through the fisheries subsector<sup>8</sup>.

<sup>1</sup><http://www.unep.org/greeneconomy/AdvisoryServices/CaribbeanGreenEconomy/tabid/105702/language/en-US/Default.aspx> Accessed 28 December 2015.

<sup>2</sup> <https://www.cia.gov/library/publications/the-world-factbook/geos/ac.html> Accessed 04 June 2014.

<sup>3</sup> United Nations, 2013. World Population Prospects. The 2012 Revision Volume 1: Comprehensive Tables.

<sup>4</sup> <http://data.worldbank.org/country/antigua-and-barbuda> Accessed 10 June 2014.

<sup>5</sup> Poverty Reduction and Human Development in the Caribbean: Addressing the Millennium Development Goals, Caribbean Development Bank - Special Development Fund (SDF) 7, July 2008.

<sup>6</sup> [https://www.princeton.edu/~achaney/tmve/wiki100k/docs/History\\_of\\_Antigua\\_and\\_Barbuda.html](https://www.princeton.edu/~achaney/tmve/wiki100k/docs/History_of_Antigua_and_Barbuda.html) Accessed 19 May 2014.

<sup>7</sup> Global Water Partnership Caribbean. (2013). The Post 2015 Water Thematic Consultation: Antigua and Barbuda.

<sup>8</sup> Office of the Prime Minister, 2001. Antigua and Barbuda's Initial National Communication on Climate Change.



In 2009, Antigua's economy was severely affected by the global economic crisis. From 2009 to 2011, there was a steep decline in tourism arrivals, which severely impacted employment opportunities within the country's private sector and placed pressure on the Government to absorb the persons displaced within this sector. Antigua and Barbuda's GDP in 2013 was an estimated US\$1.1 billion with a growth rate of 1.7%<sup>9</sup>.

The economy and the international credit rating of the Government and the local credits options available to many citizens (especially those working in sectors vulnerable to hurricanes and drought) have been negatively impacted by over six hurricanes and three droughts in the past 15 years. Although the impact of extreme weather events is not carefully documented, the impact is felt on the ground and is causing severe hardship for the country. With limited financing options, Government authorities tend to rely on higher domestic financing (mostly government securities) and arrears, to recover from natural disasters and to withstand global downturns in tourism. At the end of 2014, Antigua and Barbuda's debt-to-GDP had increased to 98.7 percent of GDP<sup>10</sup>.

Adaptation measures for SIDS are expensive, with significant cost implications for both the Government and its citizens. Adaptation costs for many buildings and services, such as homes, churches, schools, clinics and hospitals, emergency response, supermarkets, and the Public Utility's desalination plants, are being borne by the Government and its citizens. The high cost of finance and limited access to financing for private citizens is becoming increasingly limited, resulting in higher levels of vulnerability. This affects all classes of citizens, both public and private, and especially marginalized groups.

### ***Environment, Climate Change and Ecosystem-based Adaptation***

The country has been experiencing extended severe drought beyond norms over the last century, and this is occurring at a detriment to the tourism-based economy. Whereas in the past water supply originated from rainfall accumulated in wells and surface water, this supply is insufficient to meet present day demands. In addition to the more frequent drought periods, sea level rise has resulted in the forced abandonment of wells in coastal areas due to salt-water intrusion<sup>11</sup>. To cope with water shortages, five desalination plants have been installed on the island. In recent extended drought years, as much as 100% of the national water supply was sourced from reverse osmosis. The production of this water is electricity dependent and uses imported fuel. Fresh water and reliable energy are the foundation of the economy and the health care system, and this water-energy co-dependency has resulted in a double exposure to extreme weather events and fuel price volatility, heightening vulnerability at the national and community levels.

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<sup>9</sup> <https://www.cia.gov/library/publications/the-world-factbook/geos/ac.html> Accessed 9 June 2014.

<sup>10</sup> IMF, 2015. IMF Executive Board Concludes the Third Post-Program Monitoring discussion for Antigua and Barbuda. No. 15/244, May 29. <https://www.imf.org/external/np/sec/pr/2015/pr15244.htm> Accessed April 9, 2016.

<sup>11</sup> Office of the Prime Minister. 2016. Antigua and Barbuda's Third National Communication on Climate Change.

## **Financing Concrete Adaptation**

A priority adaptation measure for Antigua and Barbuda is to build resilience in the water and energy sectors. To address regular disruptions to their water supply, many homes and businesses have purchased small generators to function when grid electricity is unavailable. Many families however cannot afford these investments and remain vulnerable to both energy and water disruptions, which, when combined, significantly increase a family's vulnerability. After a storm, the electricity grid can be interrupted, depending on the magnitude of the event, for anywhere between 2 weeks (as experienced after Category 1 Hurricane Gonzalo in October 2014) to 3 months (following Category 4 Hurricane Luis in August 1994).

The **problem that this project seeks to address** is that current financing needs for adaptation are not being met. The government is unable to meet needs for climate change adaptation measures – implementing the country's Intended Nationally Determined Contribution (INDC) adaptation targets alone are projected to cost \$20M USD per year for the next ten years<sup>12</sup>. As a result of a lack of financing, on-going adaptation efforts are not effectively protecting Antigua and Barbuda's vulnerable communities against predicted climate change impacts. The main problem is that the country's economy is not generating adequate resources for the Government to fund adaptation. The country is currently accessing an IMF program to assist with economic recovery, following the global downturn and the 12 major storms and hurricanes that hit Antigua and Barbuda between 1994 – 2014. Individual property owners are often forced to self-finance their own adaptation interventions as well as disaster recovery measures.

Further, there are limited financing options available for individuals, communities and businesses to access funds to implement ecosystem maintenance or restoration in the face of climate change. If the community is prone to flooding, for example, a property's value will be reduced, and the risk to financing is high. Banks are therefore reluctant to lend to these customers, who are then further exposed to the impacts of climate change without financial means to carry out concrete adaptation measures. This failure to adapt to projected climate change impacts will continue to undermine the investments of government, donor organisations – including non-governmental organisations (NGOs) – and the private sector if ecosystems and infrastructure are unable to withstand extreme weather events.

The **proposed solution to the problem** is to promote the implementation of cost-effective adaptation measures by implementing adaptation in the environment and in the community, building both natural and social adaptive capacity at the same time. This can be achieved by: i) implementing adaptation in the watershed and waterways, such as climate resilient drainage systems; 2) a "soft" loan program for home and business owners for adaptation; 3) providing grants to the community and NGOs to get their buildings ready for climate change, where upgraded community buildings can serve as hurricane shelters, community cisterns as emergency water reserves, and learning

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<sup>12</sup> Antigua and Barbuda's Intended Nationally Determined Contribution. Communicated to the UNFCCC on 15<sup>th</sup> October 2015. <http://bit.ly/1M40gsG> Accessed 7 April 2016.

centers to strengthen social capital; and 4) to provide the community with the skills and capacity they need to maintain the waterway by themselves, with assistance and in partnership with the Government of Antigua and Barbuda.

Microfinancing, credit unions, financial cooperatives and other inclusive financial systems— have been successful in creating economic growth and reducing poverty for borrowers, while also offering financial and social incentives to lenders<sup>13</sup>. To date, microfinancing initiatives in the Caribbean have been mainly used to fund economic activities such as housing, farming and small manufacturing<sup>14</sup>.

Using such financing mechanisms to fund adaptation activities provides a novel approach to climate change adaptation in Antigua and Barbuda. Furthermore, innovative financing in addition to ecosystem-based adaptation can result in cost-effective adaptation interventions to improve climate resilience by securing multiple benefits for vulnerable communities and sectors<sup>15</sup>.

**Significant barriers** to achieving the implementation of adaptation targets identified Antigua and Barbuda's climate action plan (INDC) are: i) limited financial resources available within a SIDS small market and tax base; ii) insufficient historical demonstration to policy makers of the benefits of cost-effective adaptation interventions focused on ecosystems; and iii) few institutions and donors that are willing and technically capable of piloting a revolving loan funding mechanism.

This proposed project will **overcome the above barriers** and document the results as best practices that can be used for all small island developing states.

Some preliminary indicators on project impacts include:

- 5 percent of homes are equipped with 2 weeks worth of water stored on-site with filtration and pump equipment
- 5 percent of homes (approximately 200) benefit from the installation of hurricane shutters and rain water harvesting
- The number of persons requiring shelters during droughts is reduced by 50 percent, with priority for vulnerable populations including single mothers, older persons and children, particularly special needs children
- 5 percent of vulnerable homes and 30 percent of shelters have back up energy using renewable energy (for essential services including pumping water)
- McKinnon's waterway can withstand a 1 in 25 year extreme rainfall event
- Mosquito larvae in water bodies in the area are reduce by at least 30 percent
- 40 percent of the families and businesses are exposed to the public awareness knowledge products of the project
- Three community groups are trained in the management and maintenance of the adaptation interventions in the waterways

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<sup>13</sup> Carlton *et al.* 2001. *Microfinance in Uganda*. Lechner, Reiter und Riesenfelder Sozialforschung OEG, Vienna.

<sup>14</sup> Jamaica Observer. 2011. *Microfinance in the Caribbean*.

<sup>15</sup> Nicholls *et al.* 2007. Ranking port cities with high exposure and vulnerability to climate extremes—exposure estimates. OECD Environmental Working Paper no. 1. OECD, Paris.

- Physical planning in local area is updated to reflect new findings of the IPCC AR5 report and regional climate modelling

### ***Financing Adaptation in a “4 Degree world”***

The private sector and communities are bearing the costs of climate variability by borrowing at high rates to meet adaptation needs for their businesses and homes. Local borrowing for the private sector can only take place if the value of the property can be held as collateral. Further, interest rates are at 8% and above. In many communities however, even at these high costs to individuals, community groups and businesses cannot access the needed capital since they do not qualify for loans. With the World Bank predicting a 4-degree world<sup>16</sup> and the IPCC AR5 Chapter 29 report for small island states, Antigua and Barbuda’s lack of access to grants or concessional loans to prepare for projected impacts spells disaster for its communities.

The recent economic decline as well as demands from other sectors such as health, education and debt servicing has made it almost impossible for Antigua and Barbuda to pay for the cost of adapting to climate change. This is particularly important when the need to adapt will require large amounts of accessible and predictable resources. The nature and size of the problem cannot be addressed with the current flow of donor resources, which, while important, lack predictability and impact.

In an effort to prepare for this adaptation financing gap, the country recently passed legislation that established the Sustainable Island Resource Financing Fund (SIRF Fund). The Fund is in its operationalization phase and with support from the GEF and a USD 15M concessional loan from Abu Dhabi Fund for Development (ADFD), the SIRF Fund will soon be making its first major investment in renewable energy for desalination. The SIRF Fund is also earmarked to receive 1.6M in funds to the revolving loan program from the GEF. Antigua and Barbuda’s proposed Special Climate Change Fund (SCCF) project, “Building climate resilience through innovative financing mechanisms for climate change adaptation,” will be a complementary source of support to this project.

The creation of the SIRF Fund is at the core of the Environmental Protection and Management Act (EPMA), being implemented by the Department of the Environment. The expenditures of the fund are guided by legislation, which specifies several windows. Each window, as it is developed, is guided by an advisory Board and enshrined in regulations. The regulations stipulate the purpose of the funds, disbursement requirements, management of the funds and governance. This is the process for establishing the Revolving Loan Adaptation window under this project.

Antigua and Barbuda, like the other islands of the Organization of Eastern Caribbean States (OECS), are signatories to the UNFCCC and related protocols, to which the

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<sup>16</sup> World Bank, 2012. *New Report Examines Risks of 4 Degree Hotter World by End of Century*. <http://bit.ly/1b5lwGy>. Accessed April 9, 2016.

Adaptation Fund is a supporting mechanism. All of these small islands struggle with the ability to finance adaptation programs. These gaps are not due to political will, incorrect priorities, nor poor land use practices – these funding gaps are due to severe macroeconomic realities faces by small island states.

Antigua and Barbuda is taking a step to implement its climate change program utilizing an integrated approach for the project, with a sustainable financial strategy as a complementary approach at the national level. The SIRF Fund, coupled with components supported by this project, is expected to generate a significant amount of new resources for adaptation while contributing positively to community resiliency as well as the overall macroeconomic situation confronting the country.

### ***The Northwest Coast of Antigua – A Detailed Assessment***

This project will focus its efforts on a high risk and populated watershed on the northwest coast of Antigua. The project purpose is to build an institutional and financial framework at the national level to meet AR5 climate projections, and the northwest watershed is well placed to provide lessons learned for the entire country.

The demonstration area forms part of one of Antigua’s thirteen main watersheds, and a prominent feature of the landscape and hydrology is a 2-km<sup>2</sup> mangrove salt pond, McKinnon’s pond. McKinnon’s watershed consists of waterways that flow through the populated outskirts of St. John’s, the capital, and drain into McKinnon’s pond. The predominant land use on the northwest coast is residential, including urban and suburban settlements, and tourism dominates coastal uses along Dickenson and Runaway beaches. Industrial activities include the West Indies Oil and APUA power stations, and other small acreages of land are under vegetable farming, livestock, commercial activity, industry, public recreation and community facilities.<sup>17</sup>

### ***The Northwest Coast’s Settlement Expansion Plan***

A comprehensive national land use and zoning plan was developed and approved by the Cabinet of Antigua and Barbuda in 2012<sup>18</sup>. The primary goal of the plan was to present a forward-looking strategic, national spatial development framework addressing current development issues and providing a platform for private and public sector initiatives. The plan, which combined GIS-based quantitative data with participatory qualitative information, used five main development criteria for its final zoning recommendations: ecosystem integrity, enhanced livability, improved accessibility, economic development and engaging livelihoods, and efficient and effective governance.

The land use and zoning plan identified the northwest coast of Antigua as a “settlement expansion zone” using the five sustainable development criteria (Figure 2). The plan

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<sup>17</sup> Ivor Jackson and Associated (2002). Local Area Plan for the Northwest Coast, p. 13

<sup>18</sup> Genivar, 2012. Sustainable Island Resources Zoning and Management Plan (SIRMZP) for Antigua and Barbuda. <http://www.environmentdivision.info/wp-content/uploads/2012/01/NPDP-SIRMZP-2012.pdf>



was developed and validated through extensive national consultations, and approved by the Cabinet of Antigua and Barbuda in 2012.

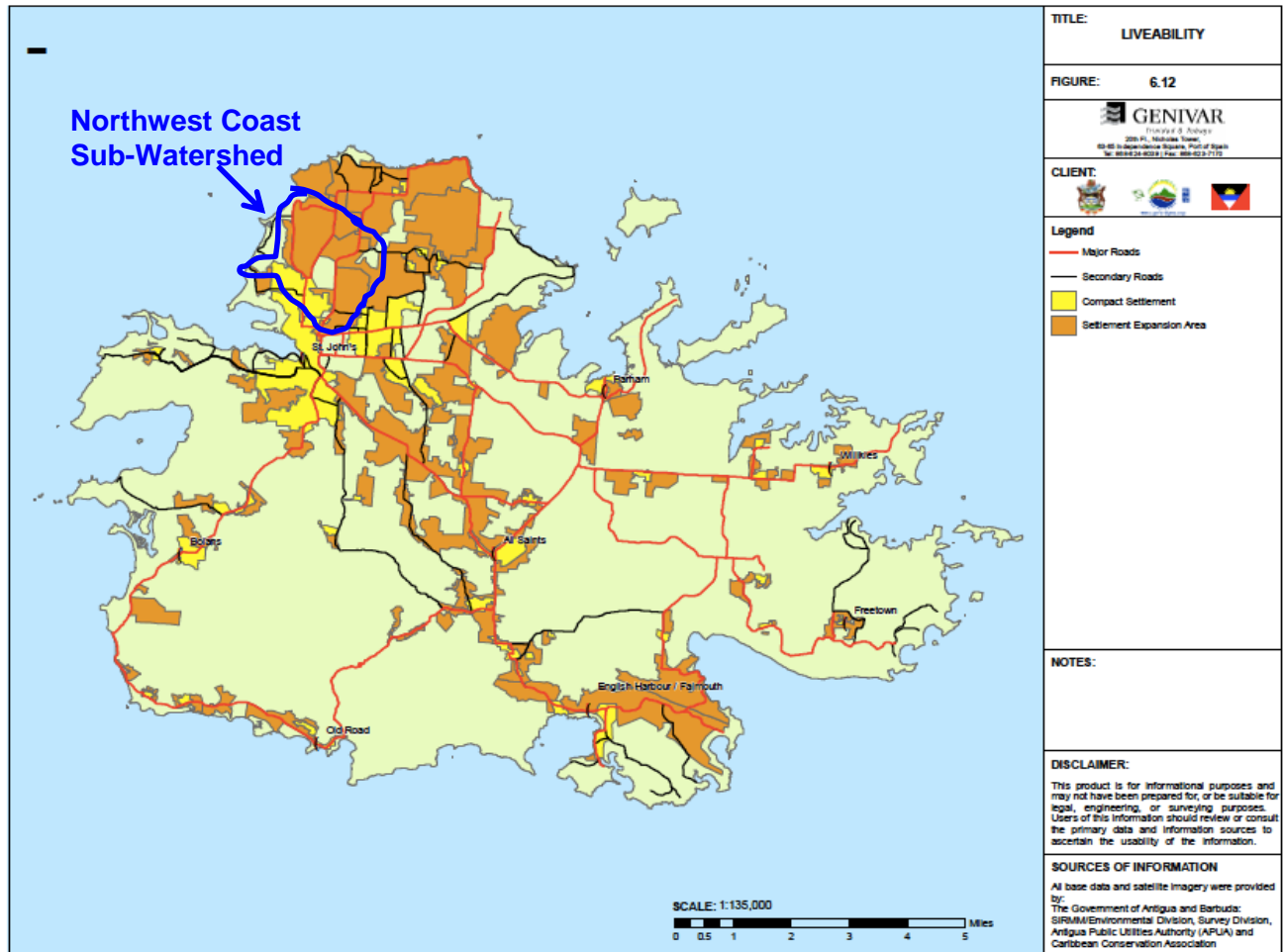


Figure 2. A “Liveability” index for Antigua identifying settlement expansion areas using social, economic and environmental criteria, with the northwest coast highlighted (SIRMZP 2012)

The northwest coast watershed area was first prioritize as a site for intervention during rigorous consultation processes while developing the national land use plan during the period of 2010 to 2012. The upper watershed is slated for rapid urban expansion, consistent with current trends where businesses are leaving the congested city center for the outskirts of town.

The area is densely populated and some districts are categorized as low-income or slum areas. These communities and families are more vulnerable to extreme weather events such as hurricanes and drought, and climate change impacts such as sea level rise<sup>19</sup>. The northwest coast of Antigua has a high degree of exposure to climate variability due to its physical features and low-income community; the northwest coast has been increasingly affected by extreme rainfall events causing flooding.

<sup>19</sup> UN-HABITAT, 2011 in CARIBSAVE, 2012. Local Area Vulnerability Analysis for Antigua and Barbuda. [http://www.environmentdivision.info/UserFiles/File/LVIA\\_Antigua\\_and\\_Barbuda\\_FINAL\\_8DEC15.pdf](http://www.environmentdivision.info/UserFiles/File/LVIA_Antigua_and_Barbuda_FINAL_8DEC15.pdf)

The project area is vulnerable to climate change, undergoing urban expansion, and supports low income and lower middle-income families. These conditions make it a suitable demonstration area for the Adaptation Fund and for national priorities. Without this project, urgent needs to implement adaptation measures cannot be met, and the area will remain increasingly vulnerable to climate impacts.

### ***Climate Variability, Projected Impacts, and Adaptive Capacity***

#### *Historical Observations and Climate Projections for Antigua and Barbuda*

Climate trends for which data is available and analyzed include temperature, rainfall extremes (both drought and high intensity downpours) and hurricanes. Results from the Hadley Centre PRECIS (Providing Regional Climates for Impact Studies) regional model are presented below. PRECIS has in recent years significantly improved the availability of downscaled climate projections on a 25 km resolution for the Caribbean region<sup>20</sup>. PRECIS results published by the Economic Commission for Latin America and the Caribbean (ECLAC) projected the following for the Eastern Caribbean, including Antigua and Barbuda, using SRES A2 (higher emissions) and B2 (lower emissions) scenarios:

- ⑥ Between 1 and 4°C warmer by the end of the century
- ⑥ Average annual rainfall is projected to decrease by the end of the century
- ⑥ Rainfall variability is projected to increase, with more intense downpours and extended drought conditions
- ⑥ Hurricane intensity is likely to increase; increases in hurricane frequency are uncertain

#### ***Temperature***

Maximum and minimum temperatures have increased over the past 30 years, and the warming trend is expected to continue. Trend analysis of average temperatures (1981 – 2013) by the Department of Meteorological Services indicates an increase of +0.6°C over the time period (Figure 3)<sup>21</sup>.

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<sup>20</sup> Taylor et al., 2007 and Stephenson et al., 2008 in IPCC AR5 WGII Chapter 29 (SIDS), p. 1628.

<sup>21</sup> UNFCCC, 2009. Antigua and Barbuda's Second National Communication on Climate Change, p. 22.

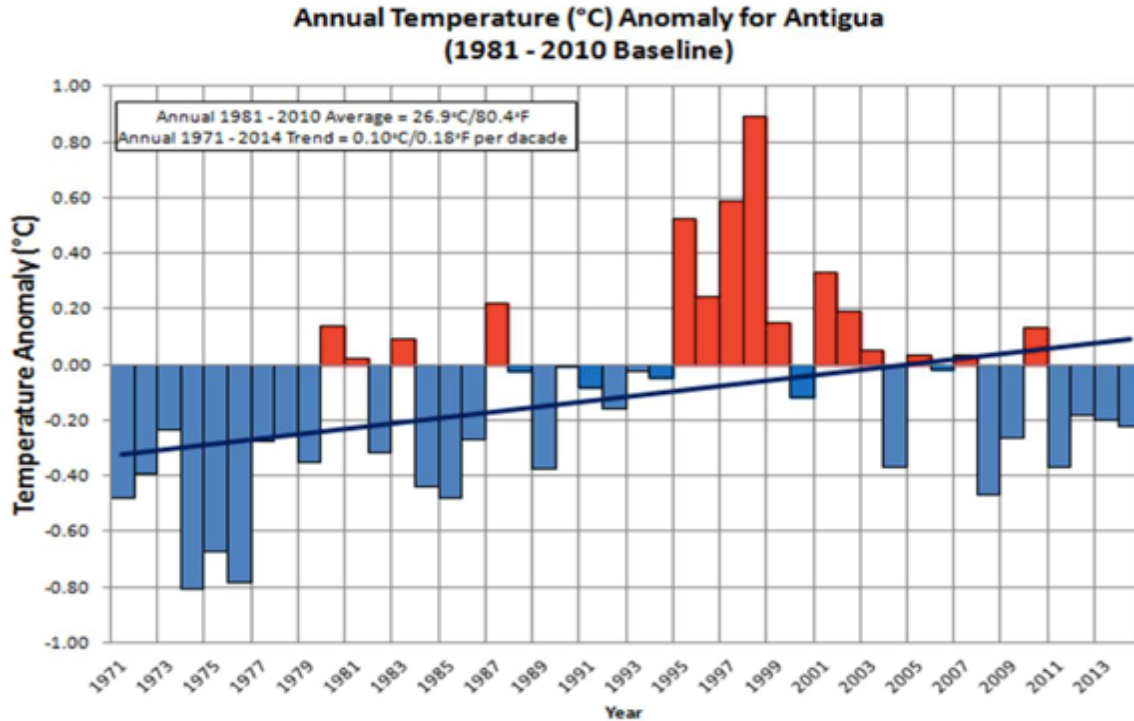


Figure 3. Annual Temperature Anomaly for Antigua (1981 – 2013) (Antigua Met Service)

The PRECIS regional model projects an increase in annual surface temperature over land on the order of 4.5°C for SRES A2 (high emissions) and 2.8°C for the SRES B2 (low emissions) scenarios, by 2100. There is general agreement across global and regional models in simulating future surface temperature changes<sup>22</sup> (Figure 4 below).

### ***Higher Temperatures: Health impacts, Risks and Adaptations measures***

Recent epidemics in Latin America and the Caribbean underscore the risks of higher temperatures to human health, as transmission rates of vector-borne viruses suggest an increase with higher temperatures. Epidemiological research has linked dengue fever transmission to temperature, where warmer temperatures can shorten incubation periods from 12 days at 30°C to only 7 days at 32 – 35°C<sup>23</sup>. Decreasing the incubation periods by 5 days can lead to a threefold higher transmission rate of dengue<sup>24</sup>. Moderately higher temperatures can also hasten larval stage development, leading to smaller mosquitoes that require more frequent blood meals – and temperature

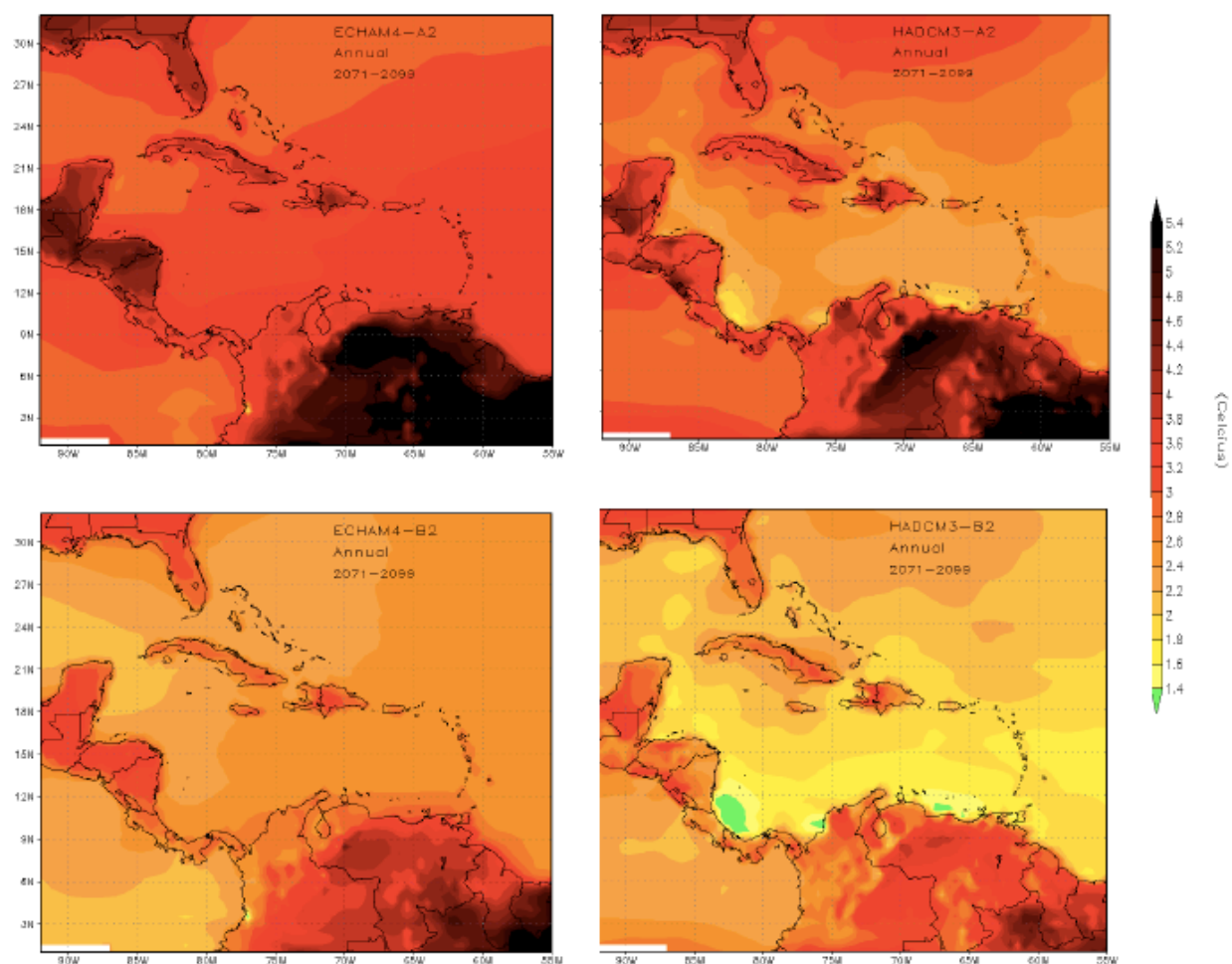
<sup>22</sup> ECLAC, 2010. Regional Climate Modeling in the Caribbean: The PRECIS-Caribbean Initiative. Economic Commission for Latin America and the Caribbean, April.

<sup>23</sup> Hales et al., 1996 and Focks et al 1995 in Chen, Anthony (2006). *The Threat of Dengue Fever in the Caribbean: Impacts and Adaptation*. Submitted to Assessments of Impacts and Adaptation to Climate Change (AIACC), Project No. SIS 06, University of the West Indies.

<sup>24</sup> Koopman et al., 1991 in Chen, Anthony, 2006. *The Threat of Dengue Fever in the Caribbean: Impacts and Adaptation*. Submitted to Assessments of Impacts and Adaptation to Climate Change (AIACC), Project No. SIS 06, University of the West Indies.



increases may also enhance metabolism, thus increasing the probability of dengue transmission to new hosts<sup>25</sup>.



**Figure 4. PRECIS regional climate model projected changes in the annual mean surface temperature for 2071-2099 (compared to 1961-1989) for high (top) and low emissions (bottom) scenarios for the Caribbean (ECLAC 2010)**

**Chikungunya** – a viral disease transmitted to humans by infected mosquitoes – spread rapidly across the Caribbean in 2013 and 2014, including Antigua and Barbuda<sup>26 27</sup>. The **Zika virus** has already spread to a number of Caribbean countries<sup>28</sup>. In addition, the IPCC’s Chapter 29 on small islands found that in the Caribbean, all of the essential malaria transmission conditions now exist based on trends in the last 10 years<sup>29</sup>.

<sup>25</sup> McDonald, 1957 in Chen, Anthony (2006). *The Threat of Dengue Fever in the Caribbean: Impacts and Adaptation*. Submitted to Assessments of Impacts and Adaptation to Climate Change (AIACC), Project No. SIS 06, University of the West Indies.

<sup>26</sup> In June 2014 there were 15 reported cases of chikungunya in Antigua and Barbuda.

<sup>27</sup> <http://www.hhrjournal.org/2014/07/01/chikungunya-climate-change-and-human-rights-2/>

<sup>28</sup> Center for Disease Control and Prevention: Zika Travel Information. <http://wwwnc.cdc.gov/travel/page/zika-information> Accessed April 9, 2016.

<sup>29</sup> IPCC AR5 WGII Chapter 29 (SIDS), p. 1625.

In addition to increased risks of vector-borne epidemics, increases in minimum and maximum temperatures cause physical discomfort, contributing to mental and emotional stress, and are likely correlated with increases heat- and respiratory-related illnesses<sup>30</sup>. Increases in temperature may result in heat stress-related deaths among vulnerable groups such as the elderly and children. Increases in temperature have also been shown to result in lower economic productivity<sup>31</sup>.

Current and projected health threats underscore the need for adaptation to address crosscutting health issues. **Component 1** of this project will upgrade the waterways leading into McKinnon's pond to enhance resilience to projected climate change impacts, including measures responsive to disease vectors. Mosquitos breed in stagnant water, and the technical engineering outputs under this component will include design-based vector (mosquito) control measures. For example, engineering solutions can improve waterway flows to prevent stagnation, coupled with an ecosystem-based adaptation, such as rehabilitating the proper functioning of ecosystems to support natural larval predators. Design solutions to combat mosquitos can reduce the need for more aggressive chemical-based control mechanism, such as malathion, an organophosphate insecticide that is the typical mosquito control method in Antigua.

The household revolving loans programme under **Component 2** will fund adaptation measures including best practices for controlling mosquito breeding in water storage tanks on private property – compliance with mosquito control standards will be established and made a requirement of the loan scheme. Similar measures for vector control will be available to community buildings under **Component 3**.

### **Rainfall**

There are three major freshwater sources in Antigua and Barbuda: i) surface water; ii) groundwater, and iii) desalinated seawater. During wet years, approximately 70% of Antigua's daily water supply is obtained through seawater desalination. This amount can increase to 100% during dry years<sup>32</sup>. Consequently, the water supply is largely dependent on electricity, which powers the country's five desalination plants.

Average annual rainfall in Antigua is 1000 mm. At present, Antigua is witnessing its worst drought in recorded history, with the 2015 rainfall total occurring once per 500 years. The current drought is over 32 months long, and to date, the record rainfall deficit of 1143 mm (45 in) exceeds the comparable drought of 1964-67 by 254 mm (10 in), or 29%. The country has missed out on approximately one year's worth of rainfall since the drought started. The current drought was caused by a number of climate actors, including an abundance of the dry and dusty Saharan air layer (SAL) from Africa,

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<sup>30</sup> Macpherson, C. et al, 2015. Caribbean Heat Threatens Health, Well-Being and the Future of Humanity. *Oxford Journals*, Vol. 8, Issue 2 (196-208)

<sup>31</sup> Economist, 2014. *The cost of doing nothing*.

<sup>32</sup> Global Water Partnership Caribbean. 2013. The Post 2015 Water Thematic Consultation: Antigua and Barbuda.

positive North Atlantic Oscillation (NAO), negative Tropical North Atlantic (TNA) Index and El Niño<sup>33</sup>.

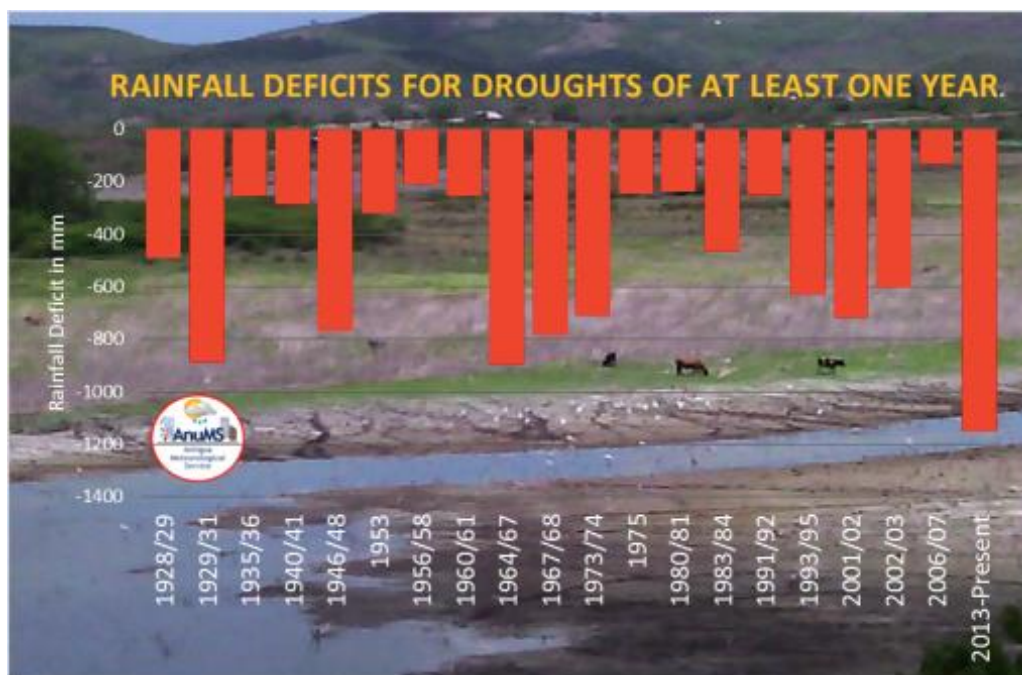


Figure 5. Rainfall deficit for 2013 – 2015 is the most extreme in Antigua’s recorded history (Antigua Met Service)

Since the drought started, the country has been completely out of surface water twice (relying 100% on desalination), with an aggregate duration of 14 months – from April to September 2014 and again from August 2015 to early 2016. The drought is estimated to have directly and indirectly cost the country an estimated hundreds of millions of dollars<sup>34</sup>.

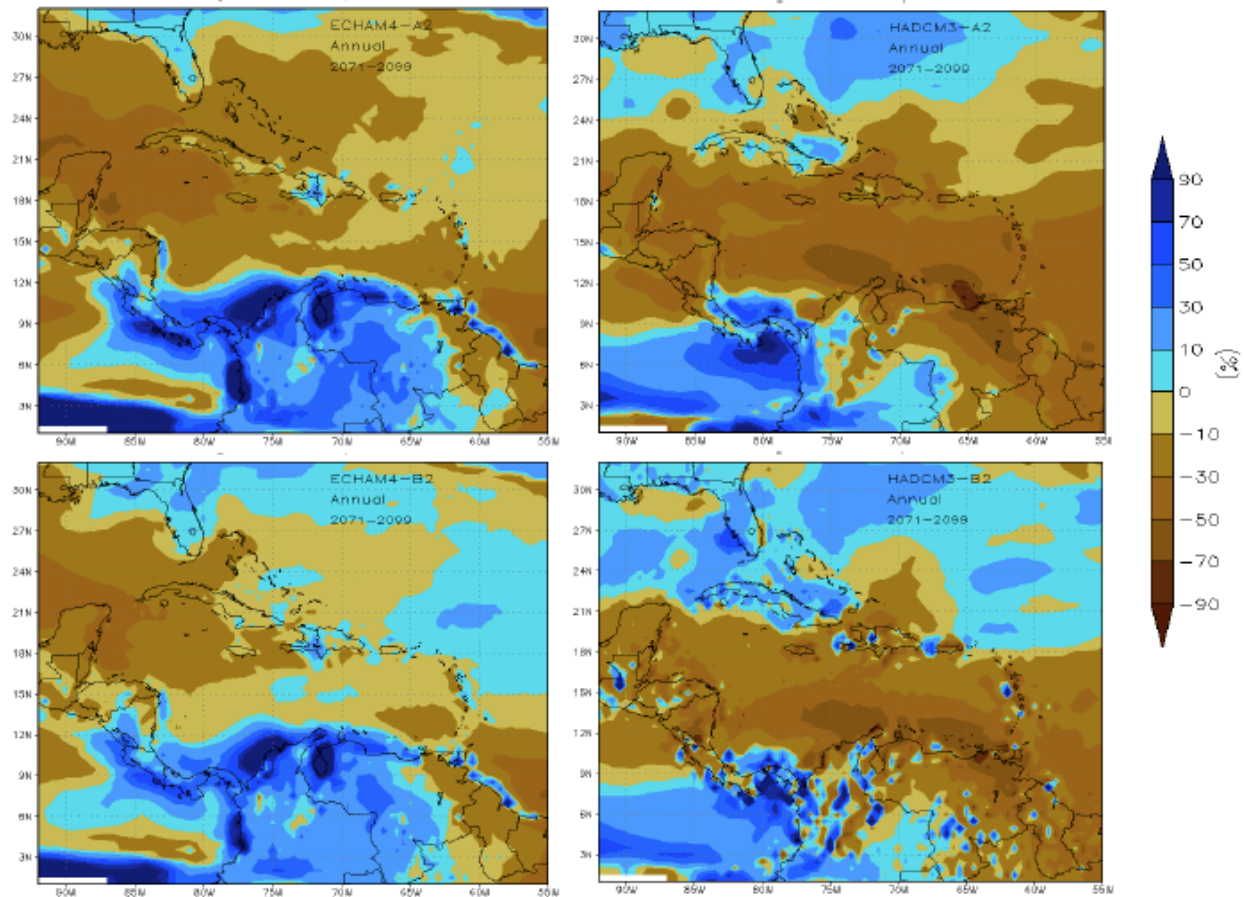
Climate projections generated with the downscaled PRECIS climate model indicate a general future trend to drier conditions in various areas of the Caribbean, including the Eastern Caribbean sub-region, where impacts are in the range of no change in annual rainfall to a decrease in annual mean rainfall by 50% (Figure 6).

### ***Drought: Risks and Adaptations***

Antigua and Barbuda, and other Caribbean islands, has good coverage of water infrastructure. However, the conundrum is that fresh water is not readily available, especially during drought (a community documentary on the impacts of drought is available here: <http://bit.ly/1YfVZ6F>).

<sup>33</sup> Destin, Dale, 2016. Antigua Met Service: Weather, climate & related info for smart decisions. <https://anumetservice.wordpress.com/2016/03/25/the-worst-drought-on-record-for-antigua/> Accessed April 6, 2016.

<sup>34</sup> Destin, Dale, 2016. Antigua Met Service: Weather, climate & related info for smart decisions



**Figure 6. Annual mean changes in precipitation (%) for 2071 – 2099 as simulated by PRECIS for A2 (top – high) and B2 (bottom – low) emission scenarios (ECLAC 2010)**

Drought leads to water shortages and poor sanitation practices at home, which can have detrimental health impacts. Recent changes in the epidemiology of leptospirosis – a potentially fatal bacterial disease that affects humans and animals<sup>35</sup> – have been detected, likely linked to factors in ambient temperature and changes in precipitation, and water availability<sup>36</sup>.



**Figure 778. A household in McKinnon’s pond area with braces for rainwater harvesting but no guttering installed**

The revolving loan facility under **Component 2** will support adaptation interventions at the household level in this project, to install rainwater harvesting infrastructure including rooftop gutters, cistern construction or water tank storage, domestic water filtration and treatment, in addition to water efficiency retrofits (toilets, sinks, shower heads,

<sup>35</sup> Centers for Disease Control and Prevention. <http://www.cdc.gov/leptospirosis/> Accessed April 5, 2016.

<sup>36</sup> Russell 2009 in IPCC AR5 WGII Chapter 29 (SIDS), p. 1624.



dishwashers, washing machines). Rainwater harvesting is required by national building codes, however households do not or cannot always comply in practice (e.g. Figure 8). This component will incentivize adaptation interventions to build resilience to drought at the household and community level.

### ***Extreme Rainfall***

Climate risk is not only associated with changes in mean values, but also (and perhaps more importantly) with changes in extremes. Due to the significant economic costs of flooding, increasingly studies across the Caribbean are focusing on projected rainfall extremes<sup>37</sup>.

Observational data for extreme rainfall events in Antigua and Barbuda is an unfortunate data gap across both temporal and geographic space. Temporally, daily and hourly rainfall time series are required to model rainstorms, which are short term high-intensity events. Further, an Intensity-Duration-Frequency curve (IDF) for the probability that a given average rainfall intensity will occur, has not been calculated for Antigua and Barbuda, and catchment modeling has relied on IDF curves from other islands.



**Figure 889.** Flooding in the outskirts of St. John's following the passage of Hurricane Omar in 2008.

Geographically, the only long-term rain gauge station is at VC Bird International Airport, situated on Antigua's northeast coast and lowest rainfall belt – average annual rainfall in Antigua varies from ~125 cm per year in the southwest to ~60 cm per year in the east<sup>38</sup>. On average, the rain gauge at VC Bird Airport receives half as much rainfall as other parts of the island. Insufficient geographic coverage of data collection is an issue for example where flash flooding has been recorded in the McKinnon's area whereas the VC Bird Airport rain gauge had not recorded any rainfall<sup>39</sup>.

### ***Extreme Rainfall: Risks and Adaptations***

Projections using the PRECIS regional climate model indicate that along with the risk of drying, there is a change of intense precipitation events to increase over the Eastern Caribbean – including extreme rainfall separate and apart from hurricanes and tropical

<sup>37</sup> ECLAC 2010: PRECIS regional climate model

<sup>38</sup> <http://www.sids2014.org/content/documents/17Antigua%20and%20Barbuda-National%20Report.pdf> Accessed 5 May 2014.

<sup>39</sup> Flash flooding occurred on Antigua's northwest coast on 19 October 2015 <http://bit.ly/25NfBF9>

storms. The general trend is for intense and heavy rainfall events to be interspersed with longer relatively dry periods<sup>40</sup>.

The impact of floods is already becoming a critical concern for Antigua and Barbuda, especially around the low lying coastal capital of St. John's, Antigua, which is vulnerable to flooding and erosion<sup>41</sup>. Building resilience to extreme rainfall events on Antigua's northwest coast settlement expansion area is a central outcome of this project, and is addressed under **Component 1**, with a large portion of this project's resources dedicated to concrete adaptation interventions described in detail below.

## **Hurricanes**

Hydro-meteorological hazards pose perhaps the greatest risk to Antigua and Barbuda, and historic disaster records demonstrate that hurricanes and tropical storms are the highest-cost hazards in terms of loss of life and economic losses. Hurricane Luis (1995), one of the most devastating systems, resulted in a 17% decrease in tourist arrivals, left 7,000 people unemployed, 90% of buildings destroyed or damaged, and economic losses amounting to US \$128.35 million or 30.5% of GDP<sup>42</sup>. It took three months to fully restore electricity, highlighting the need for resilient energy systems. Economic impacts of hurricanes and flooding, and resultant costs of adaptation, are proportionately extremely costly to small island states (Box 1).

In 2008, Hurricane Omar resulted in precipitation of 56.4 mm per hour at its peak<sup>43</sup>, and flood water levels reached 4 to 12 feet in vulnerable parts of the island (Figure 9). As a result of Omar, 1,339 homes were flooded, and four homes located in close proximity to watercourses were washed away – in total, at least 5,088 persons suffered significance losses<sup>44</sup>. Similar flood

### **Box 1. Why is the cost of adaptation to climate change so high in small islands?**

*Source: Adapted from IPCC WGII AR5 – Chapter 29 (SIDS)*

Adaptation to climate change that involves infrastructural works requires large up-front overhead costs, which in the case of small islands cannot be downscaled in proportion to the population's size. This is a major socioeconomic reality that confronts small islands, notwithstanding the benefits of adaptation.

Moreover, the relative impact of an extreme event such as a hurricane that can affect most of a small island's territory has a disproportionate impact on that state's gross domestic product, compared to a larger country where an individual event generally affects a small proportion of its total territory and its GDP. The result is relatively higher adaptation and disaster risk reduction costs per capita in countries with small populations and areas—especially those that are also geographically isolated, have a poor resource base, and have high transport costs.

<sup>40</sup> ECLAC 2010: PRECIS regional climate model, p. 16

<sup>41</sup> Solomon et al, 2011 in CARIBSAVE National Vulnerability Impact Analysis for Antigua and Barbuda [http://www.environmentdivision.info/UserFiles/File/NVIA\\_Antigua\\_and\\_Barbuda\\_FINAL\\_8DEC15.pdf](http://www.environmentdivision.info/UserFiles/File/NVIA_Antigua_and_Barbuda_FINAL_8DEC15.pdf)

<sup>42</sup> Solomon et al, 2011 and Gores-Francis, 2013 in CARIBSAN National Vulnerability Impact Assessment

<sup>43</sup> Ho, B. 2008. *Agricultural losses amount to \$11M*. Antigua Sun.

<sup>44</sup> Antigua and Barbuda NODS, 2008 in CARIBSAVE National Vulnerability Impact Analysis, p. 45

conditions were experienced during Hurricane Earl in 2010.

### ***Hurricanes: Risks and Adaptations***

Climate models project that maximum wind speed of the strongest hurricanes is likely to increase between 5% (low scenario) and 15% (high scenario), which would increase loss of life and other economic losses<sup>45</sup>. Model outputs are not confident regarding changes in the frequency of hurricanes due to climate change, including the PRECIS regional model, however hurricanes that do form are expected to increase in intensity, and there is some consensus among models about this latter projection.

## **Project Objectives:**

### ***Main Objectives***

**An integrated approach to physical adaptation and community resilience in Antigua and Barbuda's northwest McKinnon's watershed** seeks to reduce vulnerability of the community, by increasing the ability of the watershed to handle extreme rainfall, while increasing the resilience of the built environment simultaneously to cope with the multiple stressors of climate change. This integrated approach will ensure that the community as a whole will be able to withstand projected climate change impacts while the ecosystems can accommodate increased rainfall.

The three specific objectives of the project, which correspond to the three components elaborated below, are to:

1. Implement concrete adaptation actions that support natural and physical drainage systems along the 3 km urban and semi-urban waterways to meet projected climate change, in particular extreme hydro-meteorological events and disease vectors. These interventions will use a variety of inventions that is designed the engineer wetland filtrations systems, as well as some hard engineering structures drains and retention ponds. The mixture of options will be an output of the detailed engineering design as part of the implementation of the project.
2. Disburse concessional ~~revolving~~ loans through a revolving fund mechanism to vulnerable households to meet new adaptation guidelines and standards for built infrastructure to withstand extreme climate variability. These home interventions are to include water harvesting, hurricane shutters, mosquito screens, water storage, and other adaptation measures.
3. Support social adaptive capacity and local ownership of adaptation through community-awarded contracts and climate resilient community infrastructure built infrastructure such as community centers, schools and clinics. This will include interventions to allow the buildings to withstand hurricanes and droughts. and community-owned project implementation
- 4.3. \_\_\_\_\_

<sup>45</sup> CARIBSAVE, 2015. National Vulnerability Impact Analysis for Antigua and Barbuda

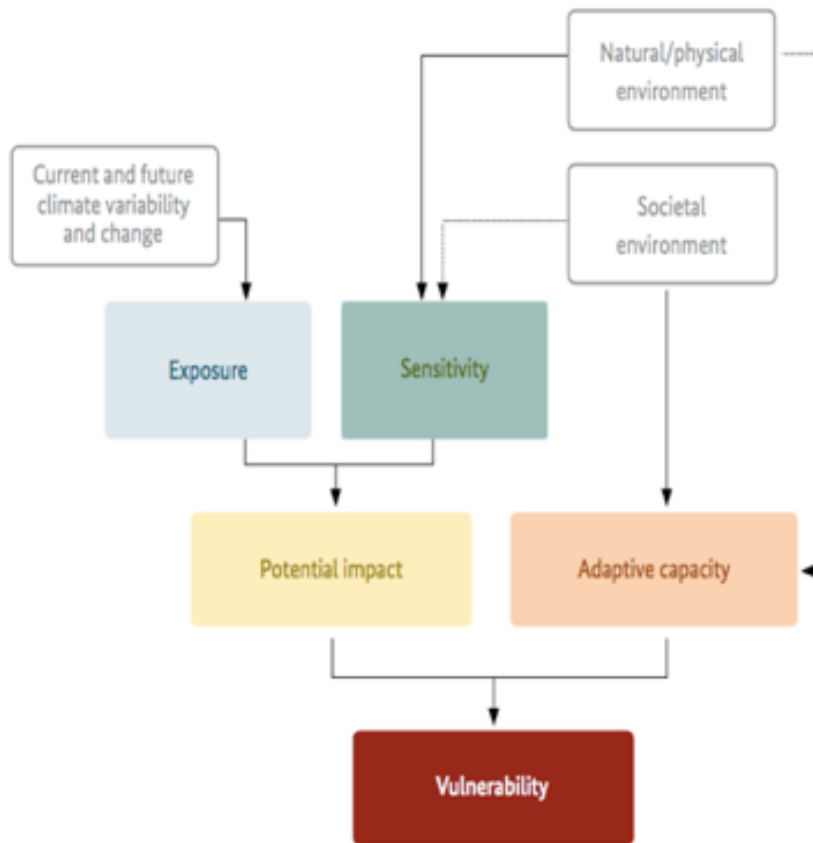


Figure 7. Visual representation of vulnerability: the objective of this project is to support natural and physical systems to reduce sensitivity, coupled with enhanced social adaptive capacity in the building sector, in order to reduce vulnerability in Antigua's the core settlement area on Antigua's the northwest coast. Source: [GIZ/IFAD/EC 2014](#)

## Project Components and Financing:

Table 1: Project components, results and budget

| Project/Programme Components                                                     | Expected Concrete Outputs                                                                                                                                                                                                                                                                                                                                 | Expected Outcomes                                                                                                                         | Amount (US\$) |
|----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|---------------|
| 1. Upgrade urban drainage and waterways to meet projected climate change impacts | 1.1.1. Technical drawings taking into consideration past flooding events, AR5 projections, and designs that reduce the risks of vector-borne diseases<br><br>1.1.2. Restore and upgrade McKinnon's 3 km waterway to meet new adaptation requirements for flooding and vector control, taking into account ESS and gender considerations within the design | 1.1 Increased ecosystem resilience of the McKinnon's waterway in response to climate change, extreme rainfall events, and disease vectors | \$ 3,535,000  |



|                                                                                                                                           |                                                                                                                                                                                                                                                                                        |                                                                                                                                                                    |                       |
|-------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|
| 2. Revolving Loans for homes in McKinnon's watershed to meet new adaptation guidelines established in the building code and physical plan | 2.1.1. At least 10% of the homes in the target area, during the life of the project, have applied for loans for adaptation measures to meet new standards                                                                                                                              | 2.1 Increased adaptive capacity of built infrastructure and communities to withstand extreme weather and climate variability                                       | \$ 3,110,000          |
| 3. Adaptation mainstreaming and capacity building in NGOs and community groups to sustain project interventions                           | 3.1.1. <del>35</del> 0% of the community-based buildings in the areas have benefitted from grants to improve the resilience of their buildings<br><br>3.1.2. Three contracts are awarded to community groups/NGOs to maintain the adaptation interventions accomplished by the project | 3.1. Improved ownership of adaptation and climate risk reduction to sustain and scale-up actions for transformative adaptation interventions at the national level | \$ 2,380,000          |
| 4. Project/Programme Execution cost                                                                                                       |                                                                                                                                                                                                                                                                                        |                                                                                                                                                                    | \$ 945,000            |
| 5. Total Project/Programme Cost                                                                                                           |                                                                                                                                                                                                                                                                                        |                                                                                                                                                                    | \$ 9,970,000          |
| 6. Project/Programme Cycle Management Fee charged by the Implementing Entity (if applicable)                                              |                                                                                                                                                                                                                                                                                        |                                                                                                                                                                    | None                  |
| <b>Amount of Financing Requested</b>                                                                                                      |                                                                                                                                                                                                                                                                                        |                                                                                                                                                                    | <b>\$ 10,000,000*</b> |

\*Includes Project Preparation Grant (\$30,000)

## Projected Calendar:

**Table 2. Milestones and expected completion dates**

| Milestones                                | Expected Dates |
|-------------------------------------------|----------------|
| Start of Project/Programme Implementation | November 2016  |
| Mid-term Review (if planned)              | November 2018  |
| Project/Programme Closing                 | June 2020      |
| Terminal Evaluation                       | May 2020       |

## PART II: PROJECT / PROGRAMME JUSTIFICATION

### A. Project components

Climate sensitivity on the northwest coast is underpinned by urbanization dynamics and population growth, limited adaptive capacity at household, community and governance levels, underlying vulnerabilities including poverty, economic sensitivity to external factors, disruptions in basic services, health risks and gender inequalities.

In order to achieve the project objective, “to reduce vulnerability of the community, by increasing the ability of the watershed to handle extreme rainfall, while increasing the resilience of the built environment simultaneously to cope with the multiple stressors of climate change,” this project is structured to deliver concrete adaptation interventions with tangible outputs that will help transform the northwest coast of Antigua from an area with high exposure to climate variability and deteriorating ecosystems, into a pilot demonstration for resilient urban drainage, functioning ecosystem services, and strong social capital.

With the interventions rooted in Antigua and Barbuda’s three completed National Communications, the Intended Nationally Determined Contribution (INDC) and national development policies and plans, as discussed below, the project is in addition strongly aligned with the global development and climate change agenda. In particular, Sustainable Development Goal (SDG) 11: Making cities and human settlements inclusive, safe, resilient and sustainable.

The Department of Environment received accreditation to the Adaptation Fund as a National Implementing Entity (NIE) in October 2015. This project embodies a nationally driven process with maximum country ownership that, in the context of a small island developing state, has the potential for transformative climate-resilient development on a shorter timescale.

The project is built around three interrelated components, which highlight the importance of tangible and concrete action, innovative financing for adaptation, and local ownership and community resilience though hurricane and drought-resistant buildings.

#### **1. Upgrade urban drainage and waterways to meet projected climate change impacts**

Under this Component, appropriate adaptation interventions will be implemented in the McKinnon’s watershed. This component aims to increase physical resilience along 3-km of McKinnon’s waterway in response to climate change, extreme rainfall events, and disease vectors, taking into account urbanization trends that may magnify and reinforce the impacts of climate change. Concrete adaptation measures will be implemented

along the waterway and drainage infrastructure bisecting urban and suburban communities on the outskirts of St. John's, Antigua – an area that has historically suffered ~~both~~ losses from both hurricanes and intense rainfall. Effective-Potential flood mitigation techniques include settlement ponds and traps, flood drainage swales, drainage easements for 1 in 25 year storms or higher, restrictions on clearing trees, shrubs and under-story vegetation in drainage easements, and rehabilitation of vegetated buffers<sup>46</sup>.

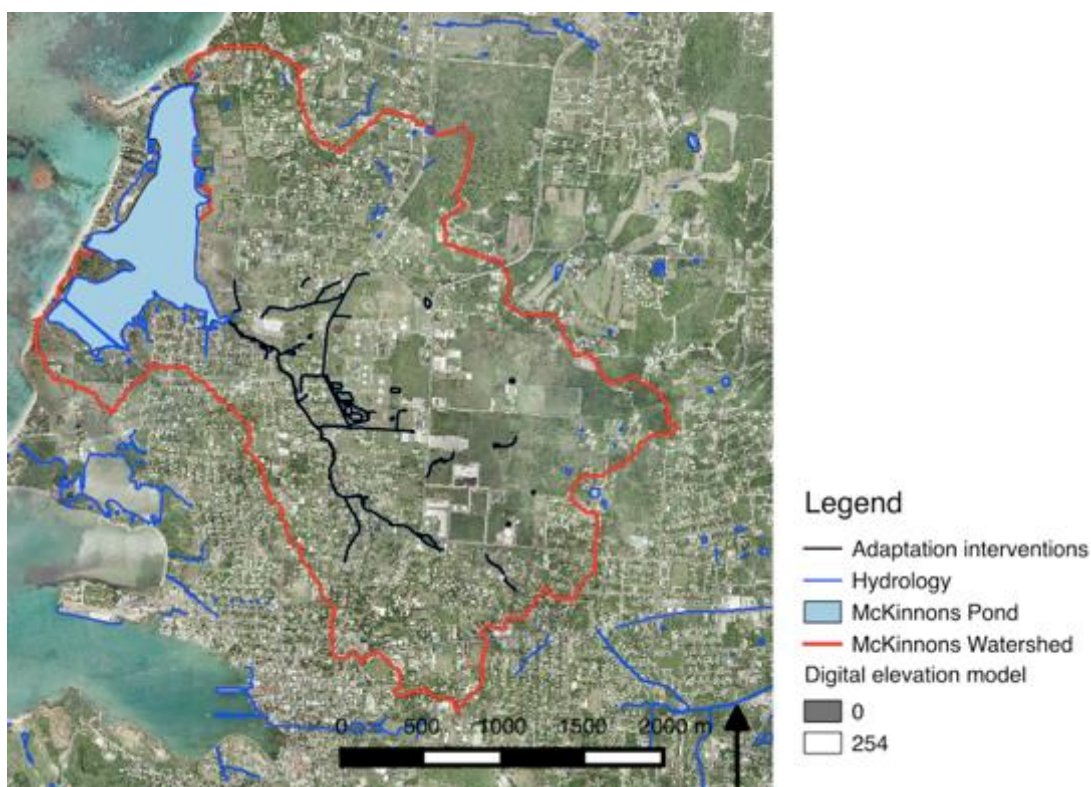


Figure 9910. Map of McKinnon's watershed boundary on Antigua's northwest coast, delineating the 3 km waterways bisecting urban and semi-urban areas for adaptation

### ***Output 1.1.1. Technical drawings taking into consideration past flooding events, AR5 projections, and designs that reduce the risks of vector-borne diseases***

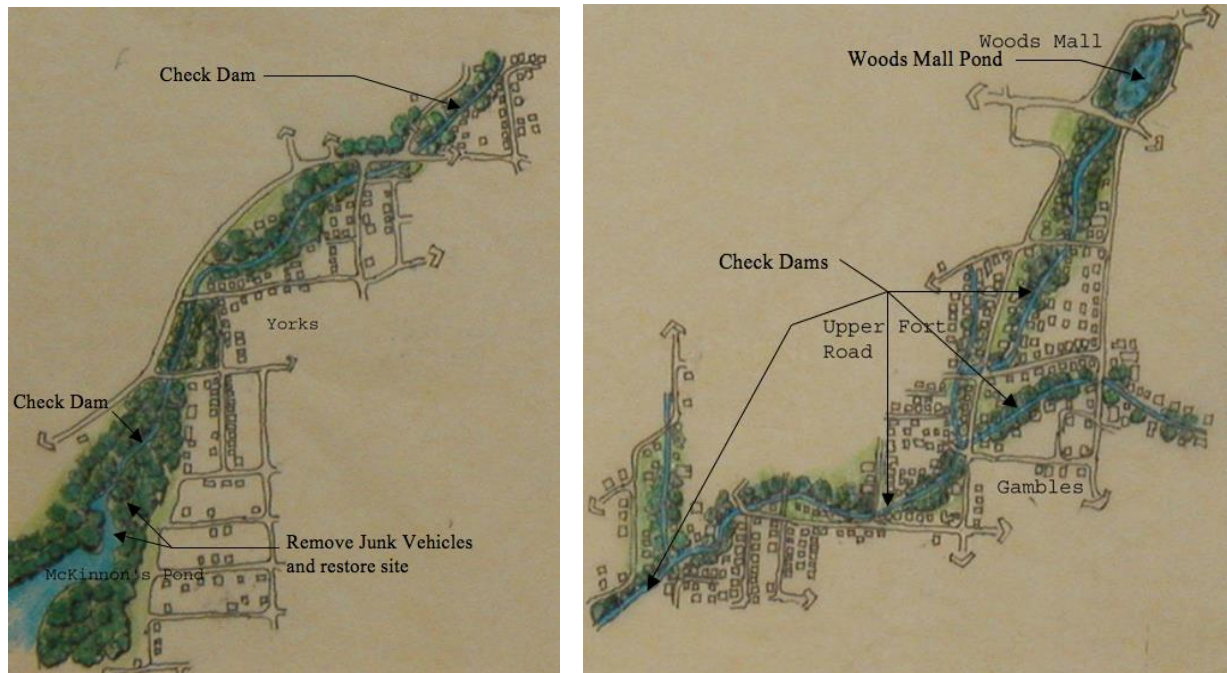
The first step in this component is to undertake hydrological assessments, analysis and hazard mapping, drawing from previous studies, baseline data, and documented areas of vulnerability, in order to validate existing ~~—but outdated<sup>47</sup>—~~ plans for the area<sup>48</sup>. This validation process will ensure that the waterway and drainage interventions meet climate resilient criteria using the most recent scientific findings in the IPCC's AR5 as well as recent extreme weather events in the region. This information will be used to

<sup>46</sup> Ivor Jackson & Associated, 2002. Local Area Plan for the Northwest Coast, Antigua.

<sup>47</sup> [Ivor Jackson & Associated, 2002. Local Area Plan for the Northwest Coast, Antigua.](#)

<sup>48</sup> [Ivor Jackson & Associated, 2002. Local Area Plan for the Northwest Coast, Antigua.](#)

finalize the climate resilient Local Area Plan (LAP) for McKinnon's and the technical drawings will be the guidelines for implementing the LAP (Output 1.1.2). A comprehensive EIA using the Department of Environment's ESS policy will be conducted at this planning stage (TOR in Annex 4).



**Figure 10. Drawings from Ivor Jackson's 2002 northwest coast local area plan from the waterway leading into McKinnon's pond (lower left) to Woods Pond (top right). The report proposed check dams, buffer zone re-vegetation, and other drainage measures. This plan will be updated to ensure climate resilience under new IPCC projections and the technical drawings will be developed and implemented under Output 1.1.2 of this project**

The technical design should recognize that this is a low-income area and that adaptation interventions should as much as possible be ecosystem-based, since these have been shown to be cost-effective with positive social and economic benefits. The technical drawings and assessments will be complemented by in-depth consultations in the communities of Lower Gambles/Yorks in the McKinnon's watershed, which is a requirement of the EIA process prior to implementation of any physical works. The community consultations will focus on identifying localised vulnerabilities and concrete adaptation options related to flooding and other climate change impacts. In addition, the consultations will form the basis for engagement with local communities to implement participatory M&E systems and to begin outlining opportunities for Component 3, awarding contracts to community groups/NGOs to maintain the adaptation interventions.

***Output 1.1.2. Restore and upgrade 3 km of waterways to meet new adaptation requirements for flooding and vector control, taking into account ESS and gender considerations within the design***



The adaptation works will support natural [systems](#) and physical [hard engineering systems-structures](#) along the 3 km urban and semi-urban waterways to meet projected climate change, in particular extreme hydro-meteorological events and disease vectors (Figure 10).

Activities under this output include finalization of a watershed Local Area Physical Development Plan (LAP) and an Environmental Impact Assessment (EIA) [\(draft TOR available in Annex 4\)](#), ~~which includes environmental and social safeguards as a legal requirement.~~

~~Interventions are likely to include *inter alia*: i) establishment of buffer zones around waterways to prevent building in flood risk zones; ii) managed aquifer recharge to increase infiltration while also reducing flood risk; iii) protection of vegetation cover to reduce erosion; iv) construction of check dams/retention ponds to reduce flooding; v) re-engineering of waterways to prevent flooding in urban areas; vi) bio-remediation to improve water quality and prevent disease vectors; and vii) clearing of blocked waterways to prevent flooding. Criteria for the selection of these interventions include: i) priorities of local communities; ii) positive social and environmental impacts; iii) cost-effectiveness; iv) provision of multiple benefits / positive externalities; and iv) potential for providing adaptation benefits under future climate change conditions.~~

~~The interventions and the selection and prioritization will be defined during the project preparation phase through the elaboration of a technical feasibility study (timeline in Annex 1).~~

Several “soft” policy and training activities under this project include incorporating new climate-resilient guidelines and standards into the Building Code as necessary for climate mainstreaming; and integrating the LAP into the implementation practices and work plan of the Development Control Authority (DCA). Further, the climate-resilient technical engineering drawings for the waterway (Output 1.1.1) will serve as a benchmark for adaptation in other waterways and watersheds across the island. The final activity under Component 1 is to prepare management and monitoring plans and train implementers in order to sustain and scale up project interventions and continue Component 1 interventions after the life of the project.

The project preparation phase will undertake the following activities:

- [Technical feasibility study for all components;](#)
- Detailed mapping of the development approval process and milestones, with stakeholder engagement during planning stages ~~to ensure meaningful input.~~

## **2. Revolving Loans for homes in McKinnon’s watershed to meet new adaptation guidelines established in the building code and physical plan**

**Component 2** will strengthen [infrastructure-buildings \(homes and businesses\)](#) through small [low interest](#) loans for vulnerable homes, thereby incentivising compliance with the Building Code, which is currently under revision for climate resilience measures. The

objective is to disburse low interest loans through the Sustainable Island Resource Framework Fund (SIRF Fund) Revolving Fund adaptation window. This loans program will be established and regulated by drafting regulations under the Finance Administration Act of 2006, Section 42 on “Special Funds,” which enables repayment into the revolving loan program<sup>49</sup>. The revolving loans program will also be vested into relevant institutional arrangements through the Special Fund regulations, which will be convened to oversee operationalization, disbursements and monitoring. This activity will be in part ~~conducted~~ complimented by the activities as an output of the GEF-funded SCCF project and will be completed as well as during the project preparation phase of this project. ~~The regulations will be unique to each project since the loans for this project will give priority to residents of the project site.~~ The regulations will provide the framework of the activities to be funded, the management structure of the window, eligibility and priority for borrowing, environmental and social safeguards and reporting requirements.

***Output 2.1.1. At least 5% of the homes in the target area, during the life of the project, have applied for loans for adaptation measures to meet new standards***

There are approximately 5,000 buildings in the McKinnon’s area, of which an estimated 4,000 are homes. The target under this output is that at least 5% of the homes in McKinnon’s watershed area benefit from adaptation interventions – totaling approximately 200 vulnerable households. The revolving loan mechanism under the SIRF Fund will be capitalized with USD 3 M through this project (including management fees, ~~estimated at 3%~~). With ~~USD 2.91 M~~ the of available financing for small loans in total, the average loan size disbursement will be ~USD 14,550. The adaptation small loans will be disbursed over a period of 18 months. Lessons learned and best practices will be prepared and shared for the entire island, as well as regional and international entities. The lessons learnt will be used to extend the scope of the revolving funds to the entire island, and will be shared with other small island states.

This component’s impact will improve access to adaptation financing for the private sector by designing and piloting a revolving loan private sector section program of the SIRF Fund business plan for the funding of adaptation interventions. These are designed, designed for homes and small businesses particularly those that are located in areas designated as vulnerable sites by the local area plan process. This component’s design is gender-responsive as micro, small and medium enterprises are noted as critical to the generation of economic activity and long-term stability, and women are considered to dominate this often-informal sector<sup>50</sup>. By reducing the vulnerability of this informal home and small business sector, and by tracking project interventions to ensure that benefits reach target populations, this project will support national gender equity goals.

<sup>49</sup> Finance Administration Act or 2006, Section 42. [http://www.oas.org/juridico/PDFs/mesicic4\\_atg\\_fin\\_adm\\_act.pdf](http://www.oas.org/juridico/PDFs/mesicic4_atg_fin_adm_act.pdf) Accessed April 6, 2016

<sup>50</sup> Huggins, T. 2014. Country Gender Assessment for Antigua and Barbuda. Prepared for the Caribbean Development Bank (CBDB). [http://www.caribank.org/uploads/2014/12/CGA-AB-Vol-I- JUNE-2014\\_FINAL.pdf](http://www.caribank.org/uploads/2014/12/CGA-AB-Vol-I- JUNE-2014_FINAL.pdf) Accessed May 9th, 2016.

The revolving loan program will also ~~develop~~ contribute to the community's awareness of adaptation and climate change impacts. This will be complemented and, enhanced through the provision of training on accessing innovative financing for adaptation, which will be delivered by funding provided by the Government. Passing regulations under the Finance Act to govern this program will further pave the way for scaling-up adaptation loans across the country.

This component will have three main activities:

1. Establish the revolving loan program, which will include the legal and institutional arrangements. It is the intention to utilize the capacity and the expertise of the Ministry of Finance, which currently manages an initiative that provides small loans of 10 to 20K USD for education, among other activities, where the loans are repaid through automated salary deductions.
2. Finalization of the adaptation activities that will be funded by the program (see below for an indicative guide) and disbursing the loans
3. Monitoring and evaluation, including next steps for scaling up

Activities to be conducted during project preparation phase for Component 2 include:

- Development of the Regulations governing the Loan scheme
- ~~Assessment of risk and risk mitigation strategies, and d~~Development of ~~detailed~~ selection criteria for beneficiaries and activities
- Benefit/review criteria for adaptation projects in buildings
- Benchmarking of the value of adaptation actions and social/market research on the local area demand for loans
- Loan terms and draft template agreements
- ~~Reporting on and managing funding received via the SIRF Fund~~
- Training and certification of contractors/engineers to participate in the monitoring program
- Detailed analysis of the financial feasibility and risks of the program

The criteria to access the funds will be based on in-depth market research to assess: i) the nature of the market e.g. the profile of potential target borrowers, the size of the potential market, and the nature of demand (both financial and technical), and ii) in collaboration with the Ministry of Social Transformation and Human Resource Development, in particular the Gender Affairs Division, determine priority eligibility of participants.

Based on the team's experience and knowledge of the community, it is anticipated that the demand for low interest loan to address climate vulnerability will significantly exceed the funds available via the project. This is further explained in Section H – The Consultative Process.

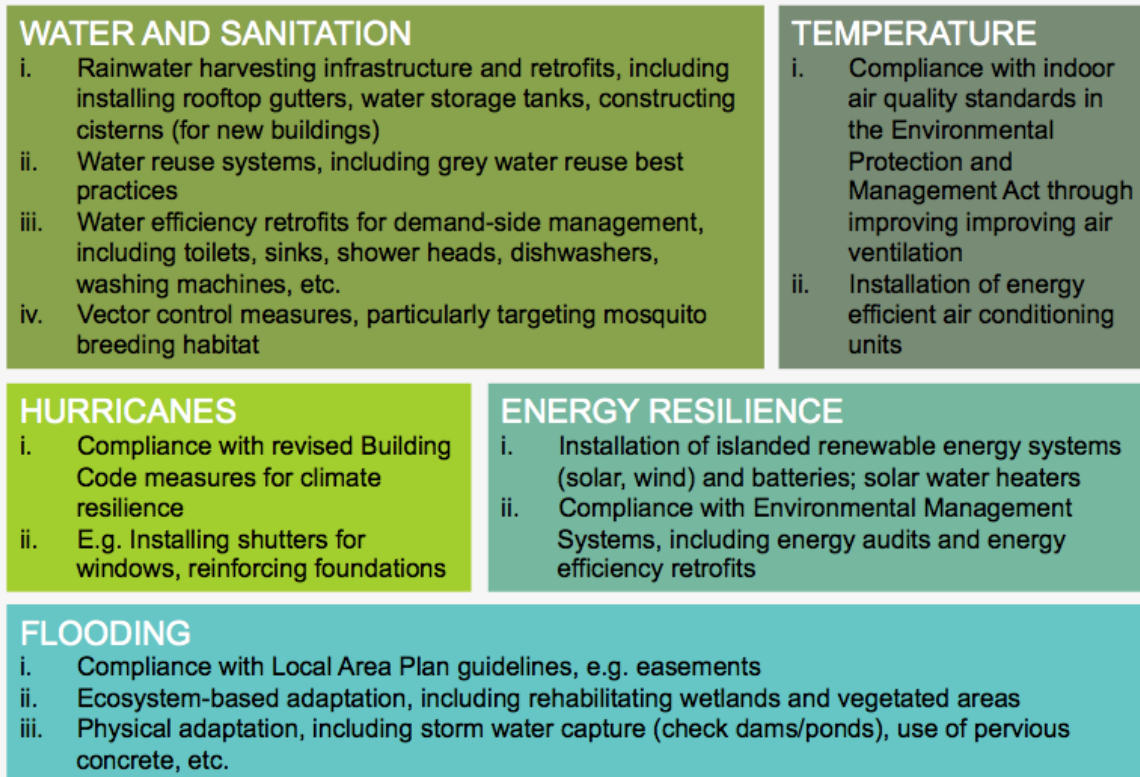


Figure 11. Indicative eligible adaptation activities in buildings to be funded through the revolving loans program as well as other sources of funding.

### 3. Adaptation mainstreaming and capacity building in NGOs and community groups to sustain project interventions

This component is designed to reduce risks associated with extreme weather by providing grants to NGOs and community groups for adaptation activities in buildings. ~~These buildings include~~ schools, churches, community centers, and community libraries, among others etc. The adaptation measures and activities utilize the same adaptation benefit/review criteria as Component 3, however this component is specifically targeted at enhancing social systems to build adaptive capacity. The management of this component, as with Component 2, will be guided by regulations. However, the NGO window of the SIRF Fund will program the grants. Guidelines for these grants will include guidelines for the establishment and/or formalization of shelters for both hurricanes and drought.

**Output 3.1.1. 350% of the community-based buildings in the areas have benefitted from grants to improve the resilience of their buildings**

Activities to achieve this output include identifying groups in the area that qualify for grants (this will take place during the project preparation phase in collaboration with the



Directorate of the Gender and community Affairs and the Community Development Division) and providing training in fiduciary and financial management (particularly procurement) and technical training on adaptation, utilizing adaptation benefit/review criteria developed under Component 2. After entering into a MOU between the Department of Environment and the NGO funding mechanism of the SIRF Fund, which stipulates detailed funding guidelines, grants will be awarded and monitored as per the financial regulations.

***Output 3.1.2. Three contracts are awarded to community groups/NGOs to maintain the adaptation interventions accomplished by the project***

In addition to concrete adaptation in community buildings, this component will seek to train community groups and NGOs to manage the waterway such that the upgrades achieved by the project are sustained and maintained. It is anticipated that if the community maintain the waterways, the community will reduce waste and other negative impacts on the waterway, thus prolonging the impact of the interventions. Activities to achieve this output include implementing a communications strategy for broad-based community education, awareness and mobilization of support, and developing three community contracts for the maintenance and monitoring of the impact of adaptation measures within the areas, as per the management plan delivered under Component 1.

Beyond the project, the funding for the contracts will come from the SIRF Fund. The SIRF fund business model includes the provision of a water levy that will be used to protect and manage wetland and waterways such as the one within the project site. This is legal requirement and mandate of the Environmental Protection and Management Act (2015).

During the project preparation phase, activities will include:

- Capacity assessment of groups and preparation of the community consultation strategy
- Two community meetings with additional meetings for targeted vulnerable groups
- Refinement of criteria for the grant scheme under this component
- Development and passage of regulations for funds to be disbursed under the NGO window

**B. Benefits: economic, social, and environmental and gender**

The benefits of this project will be maximized by its integrated economic, social and environmental approach. The impact of ESS and Gender will be disaggregated by project Components since each component design will be impacted by the ESS and gender considerations.

Social Impacts

In the McKinnon's area, people's livelihoods are dependent on a range of small and medium enterprises (such as shop keeping, farming and fishing) and civil service professions (such as teaching, security and medicine). Some areas of the Yorks Community (in the vicinity of St. John's City) are categorized as slum areas, and these unplanned settlements are among the most vulnerable to extreme weather and climate events<sup>51</sup>. Therefore, as new adaptation standards are mainstreamed in building codes and other legislation, it is recognized that, to deliver transformative change on the ground, accessible and affordable financing must be available to help the most vulnerable from disproportionately bearing the impacts of climate change and being "left behind" in adaptation.

Component 1, will be designed to provide as natural as possible a design for the interventions in such a way that the community can be involved in the maintenance and care of the results of this intervention. Further the component will be designed to ensure that the plants used to secure the buffer/easement areas can be used for the community as food (such as mango trees are very good for stabilization of waterways) or for well-being and shade. The easement will also allow for the community to host events and programs next to the waterway.

This project will provide financing to communities that have traditionally had difficulties accessing resources. As opposed to centralizing support ~~on for hurricane~~ shelters, the structure of this project is to allow people to safely live in their homes that upgraded to be are-resilient to the impacts of climate change. These resilience measures includes the interventions at the home that will address drought and , with reliable electricity and water to deal with slow onset events and after another extreme events – meaning that they can go to work, school and take care of families. The project is expected to positively impact people's well-being particularly that of women.

### Gender

Gender, in addition to building resilience. Local area vulnerability studies have suggested a high prevalence of female-headed households in the McKinnon's area,<sup>52</sup> and this has been taken into consideration during this preliminary project design (see Annex 2 Risk Registry). More in depth gender analysis and considerations at the project preparation stage and during implementation will ensure that the interventions are validated by experts and responsive to the differing needs of women, and men and particularly older population within in the project site. For example, community leaders may be able to help identify vulnerable women or families within the community, and advise on the establishment of a tailored concessional financing mechanism for vulnerable female-

<sup>51</sup> CARIBSAVE, 2015. Local Area Vulnerability Impact Analysis, p. 25

<sup>52</sup> CARIBSAVE 2015. Local area Vulnerability Impact Analysis for Antigua and Barbuda

headed households under Component 2. This mechanism could for example, could have even lower interest rates and an extended payback period for qualifying households, for example.

This project's integrated approach will maximize social benefits. An Environmental and Social Assessment (including gender) and resulting Management Plan will be developed during the project preparation phase by a third party expert. This will be done, in consultation with the experts from the Gender Affairs Division, the Community Development Division and the NGO Women Against Rape.

For Component 1, using gender responsive project design material developed by UN Women and adapted to the local context (see Annex 3). This preparatory work will be followed by a full EIA for Component 1, to be conducted by an independent consultant during the implementation stage prior to the conduct of any works on the waterway or pond. The M&E framework will include gender-disaggregated indicators, which will monitor impact and gender responsiveness of the interventions throughout implementation. This may include the recommendation of lighting along the waterway and for safety measures for children who may be playing alongside the waterway.

It may also identify those areas where intervention may not be possible and place those families and homes on a priority list for evacuation during extreme weather events. These families can therefore benefit from interventions made in Component 3 since those buildings may be used as shelters.

### Environmental Impacts – Legal Planning Process

Environmental impacts of the project are generally expected to be beneficial. The projected impacts will be determined by an Environmental Impact Assessment. The EIA is a legal requirement with the mitigation measures being legally binding on the Government to implement. This process is legally required for Component 1 only.

Components 2 and 3 will require planning permission for each of the buildings to be affected by financial inputs. The planning permission process will determine the environmental and structural impacts of each activity. The review process at the planning office (the Development Control Authority) is to determine the environmental and structural impacts.

### Environmental Impacts – Benefits of the Project

The project is expected to generate the following environmental benefits are derived from making sustainable living available to low-income residents, affording mitigation co-benefits through the uptake of adaptation measures recommended in the building code. These measures are expected to allow the building to withstand drought and category 5 hurricanes. The adaptation interventions are expected to have the following benefits: renewable energy, energy efficiency, and up-scaling good practices in water

reuse and conservation with the reduction of pollution into the waterway (based on Component 1 interventions). ~~The project will also apply ecosystem-based restoration as an adaptation measure, improve future planning measures to include adaptation to climate change for the site, reduction in vector breeding, and mainstreaming this approach in planning and policy for the entire island. , with measures including easements, re-vegetating areas, and design-oriented mosquito control measures, which will support ecosystem services.~~

The specific interventions to be implemented under Component 1 will have the following positive environmental benefits: i) reduced rates of run-off; ii) decreased soil erosion; and iii) regulated flow of water in waterways flowing through local communities. The project activities are ‘no regrets’ interventions because they will improve upon the baseline conditions regardless of the severity of expected climate change effects. Environmental benefits are derived from the project’s impact to improve functioning of watershed ecosystems and enhance the capacity of local communities to implement climate-resilient measures in these watersheds.

A detailed assessment of the integrated benefits of this project will be further determined during the project preparation phase (PPP) and through the EIA process. The legal mandate for the EIA is established under Section 23 of the Physical Planning Act of 2003<sup>53</sup> and Section 38 of the Environmental Protection and Management Act of 2015. These sections define an EIA as, “an analytical system of assessing or reviewing environmental, social and economic consequences that are likely to result from a proposed development activity, beginning at the inception of the activity and ending at its completion or decommissioning.” The Department of Environment has the mandate to develop/draft the Terms of Reference (TOR) for the EIA for the review of the Technical Advisory Committee. –The TORs, draw on its governing policies including ESS and gender considerations. The TOR for the EIA will included economic, social and environmental impacts.

### C. Cost-effectiveness

The following compares the proposed components to viable alternatives to achieve the same impact, with a focus on economic comparisons to the extent possible.

**Table 3. Scenario planning to demonstrate cost-effectiveness of the project**

| Viable alternatives                                | Assessment of alternatives (cost-effectiveness)                                                                                                                                                                               |
|----------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| COMPONENT 1 – Upgrade Urban Drainage and Waterways |                                                                                                                                                                                                                               |
| Do Nothing                                         | If no interventions are taken, the communities surrounding the waterway <del>and as well as</del> residents and businesses in low-lying areas will suffer from more intense and more frequent flooding. Infrastructure within |

<sup>53</sup> Physical Planning Act, 2003. Government of Antigua and Barbuda. <http://laws.gov.ag/acts/2003/a2003-6.pdf> Accessed May 3, 2016.

|                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|----------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                    | <p>50 m of the targeted waterway leading into McKinnon’s Pond includes 424 buildings (22,000m<sup>2</sup> in total) and 7.25 km of roads. Damages to this infrastructure would continue to incur millions of dollars in damages following disasters. While the upfront cost here of “do nothing” is zero, <i>ad hoc</i> disaster response costs to flooding are estimated at least <del>ten million</del> <u>10 M</u> USD per Category 2 <u>and or</u> higher hurricane for the property along the waterway alone.</p> <p><u>Additionally, doing nothing will also allow the vulnerabilities to communicable disease to persist and perhaps worsen. The communities surrounding the the waterways leading into McKinnon’s Swamp are some of the densest in Antigua. Further, the area is in proximity to one of the most active tourism, shopping and cultural zones further exposing large numbers who visit and transit to the area to diseases like zika, chikungunya and dengue.</u></p>                                                                                                                                                                                                                                                                                                                                                                                    |
| <p>Construct concrete drains to channel water from and through the watershed and into the Pond</p> | <p>It is the normal response for the Government to construct concrete drains for improving the waterway’s ability to manage the increased quantity of rainfall due to intensity and runoff trends. <u>Construction of the concrete drains along the 3 km of waterways is estimated at 4 M USD and is therefore a more costly option compared to climate resilient urban drainage (approx. 3 M USD). In addition, this approach increases runoff into McKinnon’s Pond and would require regular dredging of the Pond every 5 – 7 years, which is approximately 1.5 M USD per dredging. Ecosystem-based resilient drainage is therefore significantly more cost effective.</u></p> <p><u>In addition</u> However, the <u>concrete drainese</u> approaches displaces <u>ecosystem services of water filtration, biodiversity including critical wetland and bird habitat, and traditional uses of the waterways. Although these ecosystem services have not been valued to date, the produce tangible benefits to the community and local economy.</u> This project aims to demonstrate the alternative ecosystem-based approach that the Public Works Department may consider for future waterways.</p> <p>Concrete drains are however easier to keep clean from solid waste and are therefore preferred option by the Public Work Department. The project will have to apply</p> |

|                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                                                                                                  | best practices in this regard.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Increase application of chemicals used in spraying to control mosquito populations                                                                                               | With the construction of hard surfaces there is the risk that the settlement of water will occur and provide a breeding place for vectors. This will have to be treated with chemicals, and Malathion is most commonly used in Antigua and Barbuda. Malathion affects the nervous system, and other health impacts have been linked to the chemical. An ecosystem approach uses native fish species and other predators within the waterway to control the vector populations.                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>COMPONENT 2 – Revolving Loans for Adaptation</b>                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Do Nothing                                                                                                                                                                       | Not including this small loans component in the project risks the project negatively impacting residents on the northwest coast of Antigua. Raising the profile of climate risks in the community through hazard mapping and climate projection forecasting can have negative impacts on community perceptions of their area and its safety, and can even result in lower property values or higher insurance rates. <u>This can impact of the those property still making mortgage payments</u> if banks <u>are-become</u> sensitized to the hazard information. “Do nothing” by eliminating this component of the project could undermine <u>its-total project impacts and thus as well as</u> jeopardize future adaptation interventions and the political will for tackling climate change.                                                                                                                                                      |
| Construct <u>shelters to meet category 5 hurricanes</u> and <u>flooding shelters that can house the community for up to three weeks at a time during a severe flooding event</u> | <p>This alternative would fail to mitigate the damage inflicted under the “do nothing” approach, namely direct threats to over 400 homes and buildings. Instead, this intervention would improve emergency disaster response <u>and provide shelter during emergencies. However, the provision of shelters does not combat slow onset events – for example the on going drought of 2015 has cost the government an estimated hundreds of millions of dollars.</u></p> <p><u>This scenario could also result in increased squatting or the establishment of illegal (unapproved) structures as people may find the direct costs of resilience measures too high, potentially resulting in increased damage during the passage of storms.</u></p> <p><u>Instead, bBy</u> improving <u>the</u> infrastructure of people’s homes <u>could, this project it will also</u> reduce <u>the risk to</u> loss of life due to natural disasters, while also</p> |



|                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                                                                                                               | contributing to economic prosperity and improving quality of life enjoyed year-round, especially in the face of slow-onset climate impacts.                                                                                                                                                                                                                                                                                                                                                                                                      |
| The alternative to SIRF small loans for homeowners is to demand that the homeowners meet the requirement of the new Local Area Plan and the building codes <a href="#">at their own cost.</a> | <p>This alternative would externalize the cost of compliance to the private sector and homeowners, however arguably this could result in indirect costs to the government in the form of welfare and increased social services to the area. In addition, this alternative has high political risks since this will marginalize most families within the area, especially low-income families.</p> <p>A further alternate to loans is the Government providing grants. This is not a viable option due to the Government's high indebtedness.</p> |
| <b>COMPONENT 3 - Capacity Building In NGOs And Community Groups</b>                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Do Nothing                                                                                                                                                                                    | Eliminating the mainstreaming and capacity building interventions under this project is not a cost-effective option, as the benefits of the project would likely not be sustained beyond the life of project implementation. The Department of Environment recognizes the importance of building partnerships and sharing in missions and activities, and capacity building of implementing partners, including NGOs and community groups, is a critical sustainability element of this project.                                                 |
| The project can conduct the regular public awareness and hope that can change behaviour of the community and Government agencies                                                              | Although this is a common method to change behaviour, the current project activities will go a significant step further to ensure that the awareness program can speak to the issue of economic, health and other important sectors regarding the project area and impact.                                                                                                                                                                                                                                                                       |
| The project could design a top down approach to address the problems within the community. The Government could be solely responsible for conducting M&E and sustaining project activities.   | <p>With the Government being solely responsible, this will rely on Government resources being available, which may not consistently be the case. The community has a vested interest in ensuring that the area is maintained and cared for, since this will impact on the health and well being of the community.</p> <p>By investing in community contracts to maintain project interventions under Component 3, the intervention worth USD 3 M under Component 1 will be maintained.</p>                                                       |

**D. Consistency with national & sub-national sustainable development strategies**

The project is in compliance with key legislation and policies, namely the Physical Planning Act (2003), the national land use plan (gazetted in 2012), the INDC of 2015, the Third National Communication on Climate Change, and the National Environmental Management Strategy for Antigua and Barbuda.

### **National Communications to the UNFCCC**

In line with UNFCCC requirements Antigua and Barbuda produced their initial (2001), second (2009), and third (2015) National Communications to the UNFCCC. The documents layout the national context in relation to adaptation and mitigation challenges across various sectors in the islands. The Third National communication recommends several adaptation options including: the protection of human settlements from increased intensity in precipitation events, which are at risk of flooding if drainage infrastructure is not upgraded or improved. In the water resources chapter, the authors state *“it is critical that engineers design post- runoff storm drains to equal the natural conditions at pre- development in a given watershed area”*<sup>54</sup>This is particularly relevant to the community of Yorks, which experiences persistent flooding during heavy rainfall. Furthermore communities must be made aware of potential climate impacts in order to promote co-operation with planning authorities and allow for local co-benefits to emerge.

### **Intended Nationally Determined Contributions (INDC) to the UNFCCC**

Antigua and Barbuda communicated its Intended Nationally Determined Contributions (INDC) to the UNFCCC in October 2015. The INDC included climate action targets to which this project is aligned and will assist with implementation. Relevant targets are:

- By 2030, all buildings are improved and prepared for extreme climate events, including drought, flooding and hurricanes.
- By 2030, all waterways are protected to reduce the risks of flooding and health impacts.

### **Physical Planning Act (2003)**

This Act controls the development of land; the protection of the natural environment; and building regulations. The Act requires a **National Physical Development Plan**, and includes provisions for development plans for “any specified part of Antigua and Barbuda” (Section 10), coined Local Area Plans (LAPs). The Act (2003) requires certain projects, prior to authorisation, to undertake an Environmental Impact Assessment (EIA). Additionally, this act will set policies and plans which will consider items such as: i) pollution; ii) safeguarding of water supplies water catchment areas and mineral resources; and iii) erosion, land slides and flooding<sup>55</sup>.

### **Sustainable Island Resource Management Zoning Plan (SIRMZP 2012)**

The SIRMZP is the National Physical Development Plan required by the Physical Planning Act of 2003. The SIRMZP arose out of extensive consultation through the Core Zoning Plan Committee comprising of various stakeholder interest groups

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<sup>54</sup> Government of Antigua and Barbuda, Second National Communication, pg. 261

<sup>55</sup> UNFCCC. (2009). Antigua and Barbuda’s Second National Communication on Climate Change.

including government departments, agencies and NGOs. The Plan includes a rigorous discussion of the current state of Antigua’s planning landscape, developments in the management and regulation of planning thus far and the priorities and guidelines for future implementation.

### **Environmental Protection and Management Act (EPMA) of 2015**

The EPMA of 2015 is Antigua and Barbuda’s new overarching environmental legislation, which sets up effective environmental management administrative responsibilities, consolidates multilateral environmental agreements, and establishes a framework financial mechanism to implement the Act (the SIRD Fund).

### **Sustainable Island Resource Framework Fund (SIRD Fund)**

The Government of Antigua and Barbuda is developing a national fund, the Sustainable Island Resource Framework (SIRD) Fund, to serve as the primary channel for environmental, climate mitigation and adaptation funding from international and domestic sources. Legislated through the EPMA of 2015, the SIRD Fund will provide the framework financial mechanism to implement the Act, and is the primary means for implementing Antigua and Barbuda’s ambitious climate action targets. By channeling environmental finance and technical assistance, the SIRD Fund will catalyze internal (protected areas visitor fees, a water levy, a carbon tax, and repayments) and external funding sources to enable the country to meet its climate and sustainability goals in a coordinated, systematic and cost-effective manner<sup>56</sup>. ~~See Annex 1 for the SIRD Fund business strategy.~~

### **National Poverty Strategy**

The National Poverty Reduction Strategy (NPRS)<sup>57</sup> in 2010 served as the strategic framework, which would guide the macroeconomic, structural and social policies and programs that would be pursued from 2011-2015. The idea was that the NPRS would provide the basis for National Economic and Social Transformation (NEST) Plan 2010-2014 by refining key strategies that are in place, identifying the gaps and supplementing the existing intervention with new ones<sup>58</sup>. NEST is considered a more comprehensive approach to poverty reduction in Antigua and Barbuda, which was developed with the aim of economic rebalancing<sup>59</sup>.

### **National Medium-Term Development Strategy (2016 – 2020)**

The Medium-Term Development Strategy, finalized in September 2015, represents strategies and actions to be undertaken by Antigua and Barbuda between 2016 and 2020, to move the country towards its long-term development goals. The strategic vision is, “A harmonious, prosperous and modern Antigua and Barbuda founded on the principles of sustainability and inclusive growth; where equality of opportunity, peace, and justice prevail for all citizens and residents”. The attainment of this vision is guided by a sustainable development approach, “To improve the quality of life for all Antiguan

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<sup>56</sup> The SIRD Fund’s business strategy brief is available for download: [http://www.oas.org/en/sedi/dsd/Energy/SECBI/SIRD\\_BusinessConceptNote.pdf](http://www.oas.org/en/sedi/dsd/Energy/SECBI/SIRD_BusinessConceptNote.pdf)

<sup>57</sup> GOAB, 2011. Poverty Strategy Reduction Strategy

<sup>58</sup> GOAB, 2012. National Economic and Social Transformation (NEST) Plan

<sup>59</sup> GOAB, 2012. National Economic and Social Transformation (NEST) Plan

and Barbudans and their posterity”. The overarching goal will be attained on the basis of the following four Sustainable Development Dimensions:

1. Optimal Generation of National Wealth;
2. Enhanced Social Cohesion;
3. Improved Health of the Natural Environment and Sustained Historical and Cultural Assets; and
4. Enhanced Citizen Security.

### **Convention on the Elimination of all Forms of Discrimination Against Women (CEDAW)**

Antigua and Barbuda ratified the CEDAW Convention on 3<sup>rd</sup> May 1989, and implementation of the Convention falls under the purview of the Directorate of Gender Affairs. Although the Directorate has not yet developed a national gender policy, Antigua and Barbuda has signed on to a number of international and regional gender-oriented instruments that provide a framework for this project’s interventions, including the Nairobi Forward-looking Strategies for the Advancement of Women (1985); the Beijing Declaration and Platform for Action (1995); the UN Millennium Development Goals (2000) and Sustainable Development Goals (2015); the Commonwealth Plan of Action for Gender Equality (2005-2015); the OAS/CIM Strategic Plan of Action (2011-2016); the Quito Consensus (2007); and the Port-of-Spain Consensus on Transformational Leadership for Gender Equality (2011)<sup>60</sup>.

## **E. Compliance with relevant national technical standards**

In Antigua and Barbuda, any intervention in sensitive ecosystems that includes alteration or modification of wetlands requires an Environmental Impact Assessment (EIA) in accordance with Third Schedule of the Physical Planning Act of 2003. The Act further provides the timing and responsibilities of the various stakeholders throughout an EIA process. Additionally the work will be in line with the guidance provided in the national zoning plan of 2012 as well as the Environmental Management and Protection Act of 2015 (EPMA).

The EPMA’s Part VI “Environmental Management and Monitoring”, in Section 39, provides for Environmental Management Systems (EMS). This Section mandates that the Department promote the adoption and implementation of EMS, and that it assist the Bureau of Standards in this regard. The EMS will guide compliance with the objectives of the Environment Act, including compliance with permissible levels of pollution, protection of waterways, efficient use of resources, and other environmental principles established by the Act. In February 2016, the Department of Environment submitted a request to the Bureau of Standards to develop national EMS, and the development of EMS is currently underway.

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<sup>60</sup> Huggins, T. 2014. Country Gender Assessment for Antigua and Barbuda. Prepared for the Caribbean Development Bank (CBDB). <http://www.caribank.org/uploads/2014/12/CGA-AB-Vol-I- JUNE-2014 FINAL.pdf> Accessed May 9th, 2016.

In order to comply with relevant national technical standards, a development application for the project design will be shared with the Development Control Authority (DCA) by the National Implementing/Executing Agency – the Department of Environment. The Department of Environment is responsible for identifying Environmental and Social Safeguard (ESS) risks and recommending mitigation measures to the risks in the EIA. Technical staff at the Department of Environment are trained and qualified to direct safeguards in this process. The development approval process takes approximately 3 months, based on the Department's previous experience, and the EIA process takes an additional 3 months.

Technical standards for the interventions fall under the Public Works Department (PWD), however current standards are not climate-resilient. As such, the building code and infrastructure guidelines are in the process of being updated through the parallel Global Climate Change Alliance project (2014 – 2018).

The authorization/clearance for the project to be implemented is by Statutory instrument (see example from Official Gazette of 2004, Vol. XXIV, No. 43). During project implementation, the Technical Advisory Committee (TAC) is responsible for ensuring the technical integrity of the project. The TAC assists with the preparation of TORs for consultancies as well as providing a technical assessment of bids when submitted. This body is comprised of technical officers from a cross-section of ministries and experts from private and non-governmental agencies.

The GIS and mapping components of this project will comply with GIS standards in the Environmental Information Management and Advisory System (EIMAS), a GIS-based database of environmental information in Antigua and Barbuda. Relevant technical standards include metadata, coordinate systems, accuracy and groundtruthing. Baseline data contained in the EIMAS will be a great benefit to this project, and GIS data developed through this project (including the hazard mapping and climate impact modeling in Component 1) will be integrated into the EIMAS to inform future decision-making.

## **F. Other funding sources**

This project does not duplicate other efforts, however it is aligned with the Department of Environment's work programme and therefore complementary and parallel initiatives are underway. The Department of the Environment uses the same project management strategy and structure across all of its projects. This approach maximizes resources and ensures coordination of activities. Complementary initiatives with linkages and synergies to this project are summarized below.

The Government will however need other funding and resources to achieve resilience on the northwest coast. It is anticipated that these resources will be identified during the project planning stage and earmarked through a Cabinet decision.

The UNEP GEF project titled **Sustainable Pathways – Protected Areas and Renewable Energy** (SPPARE), was approved in December 2014 and will be

implemented from January 2015 – December 2018. The project will enhance the financing and management of ecosystem services, through developing and operationalizing the **Sustainable Island Resource Framework Fund (SIRF Fund)**. The outcome of the SPPARE project includes the development of a business plan for the implementation of the financial plan and associated legislation – the Environmental Protection and Management Act of 2015. Moreover, the SPPARE project will establish the environmental management window of the SIRF Fund<sup>61</sup>, ~~and the structure of the Fund is elaborated in Annex 1.~~ The proposed AF project will use the adaptation window of the SIRF Fund to distribute and manage the revolving loans and grant financing, thus drawing on the knowledge base of and creating synergies with the SPPARE project.

The **Special Climate Change Fund (SCCF)** project, “Building climate resilience through innovative financing mechanisms for climate change adaptation” (estimated 2016 – 2019) will develop a local area development plan for McKinnon’s Pond, building on previous work and participatory processes. The project will implement physical interventions in the upper area of the McKinnon’s watershed. The SCCF project will pilot cost-effective adaptation interventions – focused on ecosystems – through a contribution of household small loans window of the SIRF Fund, and the AF will replicate and scale-up on best practices under the SCCF project. In addition, the SCCF project will contribute to an enabling policy environment by delivering a draft National Climate Change Adaptation Policy and Implementation Strategy as well as updating the National Environmental Management Strategy to incorporate climate change resilience. Finally, local and regional education and awareness is a cross-cutting component that will magnify impact and lessons learned.

The **Global Climate Change Alliance (GCCA) Project** on Climate Change Adaptation and Sustainable Land Management in the Eastern Caribbean will implement: 1) Effective and sustainable land management frameworks and practices, and 2) Specific physical adaptation pilot projects in relevant areas or sectors. The first component is the main source of complementarity, as the framework includes undertaking a stakeholder dialogue and developing a National Climate Change Policy, Strategy and Action Plan. The project will also deliver base maps to determine land capability (including geotechnical, hazard maps) and support land use planning, as well as development and approval of a revised National Building Code and Ordinance. For the second objective, the Project will co-finance physical interventions in the Cashew Hill area, in the St. John’s watershed (a~~39~~approx. US\$-1 million).

In addition, it is expected that there will be some projects funded through the **GEF Small Grants Program (SGP)** to be implemented in the project site in the near future. During the implementation of the proposed SCCF project, there will be close coordination between it and the proponents of any GEF SGP initiatives to ensure complementarity between activities.

## **G. Capturing and disseminating lessons learned**

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<sup>61</sup> [The SIRF Fund’s business strategy brief is available for download: http://www.oas.org/en/sedi/dsd/Energy/SECBI/SIRF\\_BusinessConceptNote.pdf](http://www.oas.org/en/sedi/dsd/Energy/SECBI/SIRF_BusinessConceptNote.pdf)



The project **An integrated approach to physical adaptation and community resilience in Antigua and Barbuda's northwest McKinnon's watershed** will produce knowledge products that will be used in communicating and sharing knowledge to promote ecosystem-based adaptation approaches and innovative approaches to adaptation in Antigua and Barbuda, across the Caribbean, and with small island developing states globally. The medium for communicating these outputs include:

- The Department's website is managed by a dedicated officer, who is also fluent in Spanish and French. The website is in English, and lessons learned can be adapted and communicated to other regions
- The Department has a active ~~facebook~~Facebook page, twitter account, and other media, including regular TV and radio interviews
- The Department will be using the Botanical Gardens as a centrally located place in St. John's to show case projects and programs, including activities under this AF project
- The AF project will utilize project briefs and power-point presentations targeted at the Ministerial level and Cabinet, to communicate lessons learned for decision-makers
- The Department works closely with the GEF small grants program and its national network to extend the project activities and outputs of the project. The NGOs and community groups are empowered through projects with workshops and sub-contracts for project implementation. Component 3 will use three sub-contracts to NGOs/community groups to implement the project, building on the successful model of the GEF SGP.
- As the national focal point for climate change and other MEAs, the Department travels to the Climate Change meetings and are available to showcase this project at side events. For example, at COP21 in Paris December 2015, a representative from the Department presented at the Adaptation Fund's showcasing event. To develop content to support such engagement, one video and monthly photo blogs of project activities will be developed for sharing with an international audience. This will be done in partnership with an NGO.

## H. The consultative process

The northwest watershed has been recognized as a priority for adaptation since 2010, when it was identified and prioritized during consultations for national land use plan. In 2014, the CARIBSAVE Partnership conducted a Local Area Vulnerability Analysis for three watersheds in Antigua and Barbuda, including the northwest coast watershed, and in 2015 consultations were held to validate findings and recommendations, and prioritize future interventions<sup>62</sup>.

The methodological approach for the local vulnerability assessment included qualitative and quantitative techniques to develop a holistic framework to improve knowledge and understanding of the conditions of local vulnerability to climate change and livelihoods in

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<sup>62</sup> For the in depth methodology and results, the LVIA report is available online:  
[http://www.environmentdivision.info/UserFiles/File/LVIA\\_Antigua\\_and\\_Barbuda\\_FINAL\\_8DEC15.pdf](http://www.environmentdivision.info/UserFiles/File/LVIA_Antigua_and_Barbuda_FINAL_8DEC15.pdf)

the three study sites – this project’s Yorks/McKinnon’s area, in addition to Cashew Hill and West Palm Beach. A quantitative baseline household survey was combined with focus group discussions to provide robust data required to assess vulnerability<sup>63</sup>.

The household survey adopted a random sampling design. Community-based assessors (CBAs), specially trained for this task, compiled a detailed list of all households in the study areas. From these lists, interview participants were randomly selected with ~~a~~aa 90 percent confidence interval sample size. A total of 159 households were sampled across the three areas (60 in Cashew Hill; **51 households in Yorks/McKinnon’s** and 48 in West Palm Beach/Jolly Harbour)<sup>64</sup>.

Although the design and structure of the household survey facilitated the acquisition of some qualitative data (e.g. respondents were asked about their attitudes and perceptions of the pertinent hazards), most of the qualitative data was collected using a focus group discussion and community mapping exercise (Figure 12), which are participatory vulnerability assessment tools tried and tested in adaptation literature<sup>65</sup>.

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<sup>63</sup> CARIBSAVE, 2015. LVIA, p. 13

<sup>64</sup> CARIBSAVE, 2015. LVIA, p. 15

<sup>65</sup> CARIBSAVE, 2015. LVIA, p. 15

## Community Map of Yorks and McKinnons, Antigua Vulnerability



Figure 12. Results of the participatory mapping exercise conducted in McKinnon's area during data collection for the local area vulnerability assessment (CARIBSAVE 2015)

During the participatory exercises in Yorks and McKinnon's, participants identified the following climate change adaptation priorities for the area:

- Increased access to portable water
- Improvements in governance
- Increased activities that foster sensitization of environmental issues
- Improved drainage through incorporating ecosystem-based adaptation

These priorities were presented at a stakeholder consultation, where the participants used the guiding principles for community adaptation planning (decentralized bottom-up planning; multi-actor involvement; focus on local vulnerability and adaptation; local level ownership; decentralized financial flow and implementation; ensuring low risk and high impact; mainstreaming adaptation into development; integrated planning and delivery) to develop an implementation framework for one of these priorities. The participants selected **improved drainage through incorporating ecosystem-based adaptation** as the priority activity for implementation.

In the social science survey on climate change awareness in Yorks, one of the McKinnon's communities, under the REGATTA project, which was conducted using a representative random sampling method, 96% of respondents responded "yes" to the question, *Do you think climate change is real?* Over eighty per cent stated that they see the effects of climate change. Most respondents had heard about climate change through the radio, followed by TV and social media. This baseline Knowledge, Attitudes and Practices (KAP) information demonstrates that the community is aware of the issue of climate change, and indicates that this AF project will be well received in the community, building on the extensive foundational consultative work that has already taken place in the area over the past two years.

The consultative process for the micro loans component of the project (Component 2) has been initiated at the national level through consultations on the SIRF Fund and its legislation, and through consultations and the inception meeting of the SCCF project, which includes a small allocation for loans (see Section F for a description on the SIRF Fund). The McKinnon's area is one of the SCCF's three pilot sites, and therefore community members have been sensitized to the small loans window for adaptation, and were also consulted on adaptation interventions along the waterway. The innovative financing approach of the SIRF Fund featured heavily in the Parliamentary Consultation on the Environmental Protection and Management Act, which took place on 9 April 2015. Since the passage of the Act in October 2015, the Department of Environment has been sensitizing the public to the upcoming small loans feature of the SIRF Fund, which is highly anticipated. The PPP process may provide an indicator of demand.

Given its small island developing state context, the "private sector" in Antigua and Barbuda includes homeowners, micro and small businesses, and other small-scale enterprises. A private sector assessment conducted by the Inter-American Development Bank (IADB) in 2013 found that access to finance was a critical challenge to private sector development. The report determined that:

*Given the important role played by finance in the development process, the country's poor ranking in terms of access to credit represents a significant risk to private sector development and growth... Antigua and Barbuda has attempted to fill the credit void through the establishment of a national development bank, but the credit needs of the private sector significantly outstrip the available resources.*<sup>66</sup>

The difference between the interest rate charged by banks on loans and the interest rate paid by banks on savings deposits – the "interest rate spread" – is 8 percentage points in Antigua and Barbuda, and is one of the widest among its comparator group of countries globally<sup>67</sup>. The Department's qualitative assessment of the private sector, including homeowners, through consultations and past experience, in addition to the quantitative assessments conducted by the IADB and others, demonstrate that the

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<sup>66</sup> IADB, 2013. Private Sector Assessment of Antigua and Barbuda, p. 15.

<http://www.caribank.org/uploads/2014/11/2014-Antigua-and-Barbuda-PSAR.pdf> Accessed 4 May 2016

<sup>67</sup> IADB, 2013, p. 15.

private sector has insufficient access to credit, forcing investments to be mainly self-financed. This evidence confidently suggests that the SIRF Fund initiative to improve concessional financing for adaptation interventions with sustainable development co-benefits will be met with a high demand on the northwest coast of Antigua – one of the areas experiencing growth and zoned as a key settlement expansion area.

Further Extensive project-specific consultations with community members can will be conducted take place when once initial project funding is secured project approval has been granted and there are some assurances that the project will proceed, as it is critical that the Department of Environment maintain the community's trust and confidence to deliver results, given the extensive consultations that have already taken place, in order to support community confidence in the Government's delivery on stakeholder priorities and to avoid burnout before project interventions are launched. During the project preparation phase, an Environmental and Social Assessment and Management Plan will be developed, which will include in-depth community consultations. This arrangement has been designed with the core values of preserving the community's trust and confidence at the forefront (see Annexes 1 for the planned consultations and Annex 3 for the draft TOR).

## I. Full cost of adaptation reasoning

### Component 1. Upgrade urban drainage and waterways to meet projected climate change impacts

#### ***Baseline***

The primary watercourse that drains into McKinnon's Pond forms part of a drainage basin for the larger northwest watershed in Antigua. Hydrological characteristics of these basins and projected climate change impacts have not been adequately addressed and incorporated into works, building construction, and other land use practices over the years. The result is that core infrastructure and people's homes on Antigua's northwest coast are exposed to climate variability. Prosperity has already been eroded due to past extreme events, which further undermines adaptive capacity in a negative reinforcing loop of vulnerability.

#### ***Additionality***

Concrete adaptation interventions in the watercourse will use methods and designs of Sustainable Urban Drainage Systems, which are considered a low cost and environmentally complementary drainage solution, and complementary to the objectives of maintaining ecosystem services. SUDS are appropriate in the context of McKinnon's watershed as the system design has a sequential approach to the various stages of the natural hydrological cycle in order to achieve effective management of storm water runoff quality, quantity and the associated amenity and biodiversity of the urban drainage system. Thus, the interventions in restoring and upgrading the Upper Fort Road-to-Yorks drainage system will focus on quality, quantity and ecosystem services. Low cost interventions include the use of filtering soil and re-establishing natural vegetation in

high runoff areas, particularly on slopes, and establishing a 'Green belt' along the primary watercourse will prevent further degradation. Upgrading the watercourse through restoration and flood prevention measures will contribute to the resilience of the community's infrastructure to projected climate change impacts.

## **Component 2. Revolving Loans for homes in McKinnon's watershed to meet new adaptation guidelines established in the building code and physical plan**

### ***Baseline***

Given the low levels of household income in Antigua and Barbuda, financial institutions are generally unwilling to provide funding to low-income households for adaptation. Interventions such as reducing vulnerability of buildings to climate change are too costly for many households to implement without additional financing. However, these households are often considered by financial institutions to be "unbankable" as they are at risk of defaulting on loans. In addition, the high interest rates on loans mean that poor households are unable to service loan repayments. Consequently, such households are unable to implement the requisite adaptation interventions and remain vulnerable to climate change.

### ***Additionality***

The additionality of this component focuses on reducing vulnerability of households to the predicted effects of climate change, particularly flooding and drought. Interventions will be aimed at improving household resilience to these climate impacts and the criteria for approval of applications for loans will be defined at the project-planning phase. These criteria will include: i) eligibility of households based on income and other socio-economic indicators; and ii) adaptation benefits of the proposed interventions.

An operational and financial framework will be developed to manage the disbursements of the small loans through a Revolving Fund for adaptation under the SIRF Fund. Lessons from various sources will optimize the efficacy of the loan disbursement structure. To initiate these demonstrations, workshops and outreach activities will be conducted to introduce potential applicants to the adaptation loans framework as well as eligibility criteria and application procedures. Participants will include potential applications from the private sector as well as members of local communities that are vulnerable to the expected effects of climate change

## **Component 3. Adaptation mainstreaming and capacity building in NGOs and community groups to sustain project interventions**

### ***Baseline***

The communities in the northwest coast watershed are aware of the problems but do not have the capacity, financial support, or technical support to tackle the problems.

### ***Additionality***

Improving the resilience of 350% of the community-based buildings in the area will build social capital for adaptive capacity, in addition to the three contracts to be awarded to



community groups/NGOs to maintain the adaptation interventions accomplished by the project. By demonstrating concrete adaptation actions on the ground, and promoting community ownership in implementation, monitoring and evaluation, this project will build critical capacity to enable up-scaling of adaptation well beyond the life of the project, so that in the future problems that are identified can be spearheaded by communities.

## **J. Sustainability of the project**

The project's integrated approach of environmental management, social empowerment and poverty alleviate position the project for continued implementation and sustainability.

The urban drainage interventions under Component 1 will be sustained by integrating the Local Area Plan (LAP) into the implementation practices of the Development Control Authority, as the authority responsible for planning, and the Central Board of Health, as the authority responsible for public health interventions. The Department of Environment will continue to manage and promote lessons learned from the drainage interventions through the Watershed and Wetlands Management Committee, established under Section 45 of the Environmental Protection and Management Act of 2015, which has a responsibility for developing management plans and providing technical guidance in critical watershed and wetland areas. A budget line of \$30,000 has been allocated under Component 1 for the integration of this component into the implementation practices and work plans for the various agencies.

The project's ~~main~~ sustainability feature under Component 2 is the revolving loan program, which will continue to function beyond the life of the project through soft loan repayments and continued disbursements through the SIRF Fund loans for adaptation window. Replenishments to the revolving fund are being negotiated by the Department of Environment, such as through the use of a water levy to be earmarked for watershed and waterway rehabilitation. Depending on the success of this demonstration project, the Government may also be willing to contribute funds to the climate adaptation revolving loan scheme directly.

For the community grants awarded under Component 3 for maintaining interventions and for resilience in community buildings, this is an innovative approach and the project will be demonstrating the benefits of empowering local communities to implement and maintain adaptation as the primary beneficiaries.

The project's consultative approach, which builds on a strong foundation of participatory engagement, supports the sustainability of interventions beyond the duration of the project by ensuring that the long term needs of climate vulnerable local communities and sectors are prioritized. Working with the community by awarding contracts to maintain the waterway is expected to generate ownership and care of the upgrades. Financially, this initiative will be sustained through NGO allocations of the SIRF Fund resources. A floor of 15% of all SIRF Fund financing is to be allocated to NGOs and community groups, per SIRF Fund operating procedures. The interventions under

Component 3 will be maintained and replicated in other areas through the sustainable financing mechanism of the Department.

Finally, through participatory monitoring and evaluation, the area and its residence will appreciate the reduction of the impacts of extreme weather and vectors, and education programs will be used to demonstrate to the community the progress achieved through the project and sustain interventions. By awarding a community contract for M&E under Component 3, this will facilitate uptake and replication of lessons learned among community groups and continued project development and implementation of adaptation solutions to problems faced on the ground.

## **K. Environmental and social impacts and risks**

Impacts are summarized below, and detailed thoroughly in the Risk Registry in Annex 2, which had proposed initial mitigation measures for identified risks. The Department of Environment will prepare an Environmental and Social Assessment and Management Plan as well as EIA and will implement the risk mitigation recommendations identified through this process (Annexes 3 and 4). The physical planning department will review the mitigation measures, and the Cabinet of Antigua and Barbuda will ultimately approve the implementation plan. The Department will be bound through this legal and policy process to meet the requirements and recommendations of the risk assessment during project implementation.

The Department’s complaint mechanism is established such that if the risk mitigation measures are not adhered to, the community can submit complaints (including anonymously) through various means, including an online form, through email submission, or by calling or visiting the office. The Department of Environment is bound to act on any complaints it receives, and has established policies and procedures for its responses.

**Table 4. Environmental and social impact and risk assessment**

| <b>Checklist of environmental and social principles</b> | <b>No further assessment required for compliance</b>                    | <b>Potential impacts and risks – further assessment and management required for compliance</b>                                                                                                                                                                        |
|---------------------------------------------------------|-------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <i>Compliance with the Law</i>                          | The project is in compliance with relevant national laws.               |                                                                                                                                                                                                                                                                       |
| <i>Access and Equity</i>                                | The project is subject to the Department’s stringent procurement rules. | A potential risk includes ensuring equity to direct beneficiaries of micro-loans. The project will develop access and selection criteria aligned with the GEF’s ESS framework. Further modalities for selection will be developed, including “blind review” where the |

|                                              |                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|----------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                              |                                                                                                                                                                                                                                                                                    | <p>reviewer does not know the identity of the applicant.</p> <p>The loan facility may be over subscribed and some community members may not get access. This may cause some disgruntlement.</p>                                                                                                                                                                                                                                                                                                                                              |
| <i>Marginalized and Vulnerable Groups</i>    | The project seeks to address vulnerable and marginalized populations through micro-loans to vulnerable households.                                                                                                                                                                 | <p>Vulnerable groups may be unable to pay back the small loans.</p> <p>There may be some downsides to the climate risk awareness activities of the project, as the local area plans will identify zones that are most vulnerable. This may result in the devaluation of the homes and if there is still a mortgage on the homes, this may have an impact on bank lending. The project is designed to identify the vulnerability of the homes and to assist homeowners to get access to financing.</p>                                        |
| <i>Human Rights</i>                          | The Department of Environment has a demonstrated track record of protecting and promoting human rights, and an online complaints mechanism is available to the public. Further, the SIRF Fund operational manual is developing an Exceptional/Disputed Cases Resolution Mechanism. |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <i>Gender Equity and Women's Empowerment</i> |                                                                                                                                                                                                                                                                                    | <p>Local area vulnerability studies have suggested a high prevalence of female-headed households in the <del>McKinnons</del> <u>McKinnon's</u> area.<sup>68</sup></p> <p>The small loans program will explore tailored programs for vulnerable women, for example lower loan payments and interest rates. Further, the M&amp;E framework includes gender-disaggregated indicators.</p> <p><u>The specific indicators for Gender are not fully known at this time. However, it is widely known that women find it difficult to access</u></p> |

<sup>68</sup> CARIBSAVE 2015. Local area Vulnerability Impact Analysis for Antigua and Barbuda

|                                 |                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|---------------------------------|-------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                 |                                                                                           | <p><u>credit in vulnerable areas. If given an opportunity, women generally will access financing to protect their homes and families. The indicator specific and impact indicators will be determine during the PP phase.</u></p> <p><u>The project partners will include Community development and gender affairs will be participating in the project design and implementation. Further there will be non-gender specific consultations with the community. This will ensure that all gender is considered and the project design is informed by the needs of each member of the community.</u></p>         |
| <i>Core Labour Rights</i>       | The project will be implemented in compliance with legislation including the Labour Code. | <p><u>The project will ensure that RFPs and the eventual selection of the contractors will include an assessment of good labour practices <del>as a criteria</del>as a criterion for selection.</u></p> <p><u>The project will not envisage the need to import labour to the island. The project size is considered too small for this to be necessary.</u></p> <p><u>The Government policy is to be gender neutral in the hiring of contractors for all projects and programs. The project will select contractors via the Technical advisory Committee which consists of a balance of men and women.</u></p> |
| <i>Indigenous Peoples</i>       | N/A as Antigua and Barbuda does not have indigenous populations as defined by the UN.     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <i>Involuntary Resettlement</i> | There will be no involuntary resettlement under this project.                             | <p>Structures on private land may need to be moved, however this will have to be done with the signed consent <u>and cost of the of the property owner. These owners will be allow to borrow funds to move their homes if they so desire.</u></p> <p>Property owners along the waterway may object to the repair</p>                                                                                                                                                                                                                                                                                           |

|                                                     |                                                                                                                                                                                                             |                                                                                                                                                        |
|-----------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                     |                                                                                                                                                                                                             | of the stream if they believe their property boundaries are being infringed on.                                                                        |
| <i>Protection of Natural Habitats</i>               | The project aims to rehabilitate and protect natural habitats                                                                                                                                               | Work on the roadway may cause temporary unintended siltation of the pond                                                                               |
| <i>Conservation of Biological Diversity</i>         | The project will include habitat and species protection, restoration, and monitoring activities consistent with country's NBSAP.                                                                            |                                                                                                                                                        |
| <i>Climate Change</i>                               | Through ecosystem-based adaptation and climate resilient drainage, the project will address climate change impacts and where possible mitigate emissions.                                                   | Household resilience measures (e.g. AC units) may increase electricity demand, leading to increased carbon emissions. RE systems will offset emissions |
| <i>Pollution Prevention and Resource Efficiency</i> | The project targets resource efficiency and pollution prevention through a monitoring programme and habitat restoration, as well as incentivizing implementation of EMS and the EPMA's pollution standards. | Works in the waterway may temporarily cause pollutants reach previously unaffected areas of the community.                                             |
| <i>Public Health</i>                                | The project will improve public health through water quality improvements, monitoring in communities at high risk to health hazards, and design-oriented mosquito control strategies                        | Waterway works may increase mosquito habitats, which carry vector-borne diseases.                                                                      |
| <i>Physical and Cultural Heritage</i>               | The project includes activities to restore and protect natural habitat. No cultural heritage sites are located in the project vicinity.                                                                     |                                                                                                                                                        |
| <i>Lands and Soil Conservation</i>                  | The project will protect critical habitat and through mitigating flood risk will promote soil conservation.                                                                                                 |                                                                                                                                                        |

## PART III: IMPLEMENTATION ARRANGEMENTS

### A. Implementation Arrangements

The Department of Environment is the National Implementing Entity (NIE) and the Executing Entity. The Department was accredited as a NIE to the Adaptation Fund in 2015. The Department is currently staffed with eleven technical officers and just over fourteen administrative officers. All technical officers are trained at the Bachelors level and over half of the officers have attained postgraduate training in subjects ranging from engineering to environmental management and law. All of the officers are experienced

in project development, public consultation, are familiar with the other agencies and have developed relationships with their peers in other government agencies, NGOs, and communities.

The Department of Environment is a coordinating entity that has established and maintained a strong inter-agency and cross-sectoral management framework. The three primary structures, as illustrated in Figure 8, include: 1) the Project Management Unit (PMU), 2) the Technical Advisory Committee (TAC), and 3) the Project Management Committee (PMC), summarized below.

While the Department has streamlined arrangements for project management, the approach is flexible and tailored to the specific needs of each project. Key stakeholders for this project will be engaged during the project preparation stage, and include:

- The **Gender Affairs Division**, which was established during the participation of the country in the international initiatives of the 1970s and 1980s, and has come to be seen as a critical institution in the thrust towards gender equity in the society
- **Women Against Rape** is a NGO focused on gender equity for local community and gender-focused capacity building, which also has experience implementing environmental projects as a GEF SGP recipient for a project in sustainable forest management
- The **Community Development Division** sits on the TAC and will play a prominent role in the stakeholder analysis and engagement plan to be further elaborated in the project preparation stage

All three of these stakeholders participated in the consultative process for the local area vulnerability impact assessment led by CARIBSAVE, described in Section H. These key partners are familiar with the challenges faced by the McKinnon’s community, associated climate risks, and the adaptation interventions prioritized through the consultations and addressed under this project.

**Table 5. Institutional arrangements for project management and supervision**

| Name                          | Purpose and composition                                                                                                                                                                                                                       | Meeting frequency                                                                    |
|-------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|
| Project Management Unit (PMU) | The PMU consists primarily of Department of Environment staff, including project manager, project coordinator, administrative assistants and other technical staff working on the project, to coordinate and implement day-to-day activities. | The PMU works together on a daily basis, and meets monthly with the Project Manager. |



|                                    |                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                            |
|------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|
| Technical Advisory Committee (TAC) | The TAC is the source of technical expertise and support for the PMU. The TAC provides technical guidance to projects, shares institutional knowledge, and assists with developing TORs and other project needs. The TAC has 21 members (17 governmental, 3 civil society, and 1 private sector coalition representative). The PMU provides secretarial support to the TAC. | The TAC meets monthly for the first year, and with a plan to meet on a quarterly basis with additional meetings as needed. |
| Project Management Committee (PMC) | The PMC acts as an advisory body to the project providing budget accountability, project guidance, policy input and support. The PMC ensures project alignment to national priorities.                                                                                                                                                                                      | The PMC meets quarterly and accounts signatories meet monthly.                                                             |

The Department has extensive project development and implementation experience. The expertise located within the other government agencies is available to the Department via the office of the Permanent Secretary, the TAC and or through direct informal consultations during project concept and development.

The selection of consultancies/companies is the responsibility of the PMC. The PMC is a high level cross-sectorial committee comprising of lead policy makers and heads of departments. It consists of the Permanent Secretary of the Ministry of Agriculture, Lands, Housing & the Environment (Chairman), the Principle Assistant Secretary of this Ministry, the donor agency Focal Point, a representative of the Budget Office at the Ministry of Finance, the Chief Environment Officer and a secretary. The function of the PMC is to focus mainly on procurement, institutional arrangements and financial management of the project.

The Procurement Officer or the Project Manager may, depending on the size and type of procurement, prepare a procurement report, which is reviewed by the Project Manager. Once the report has been reviewed, it is submitted to the PMC in order to make a deliberation. If there is a disagreement between the Project Manager and the Procurement Officer on a specific recommendation, this is resolved at the level of the PMC.

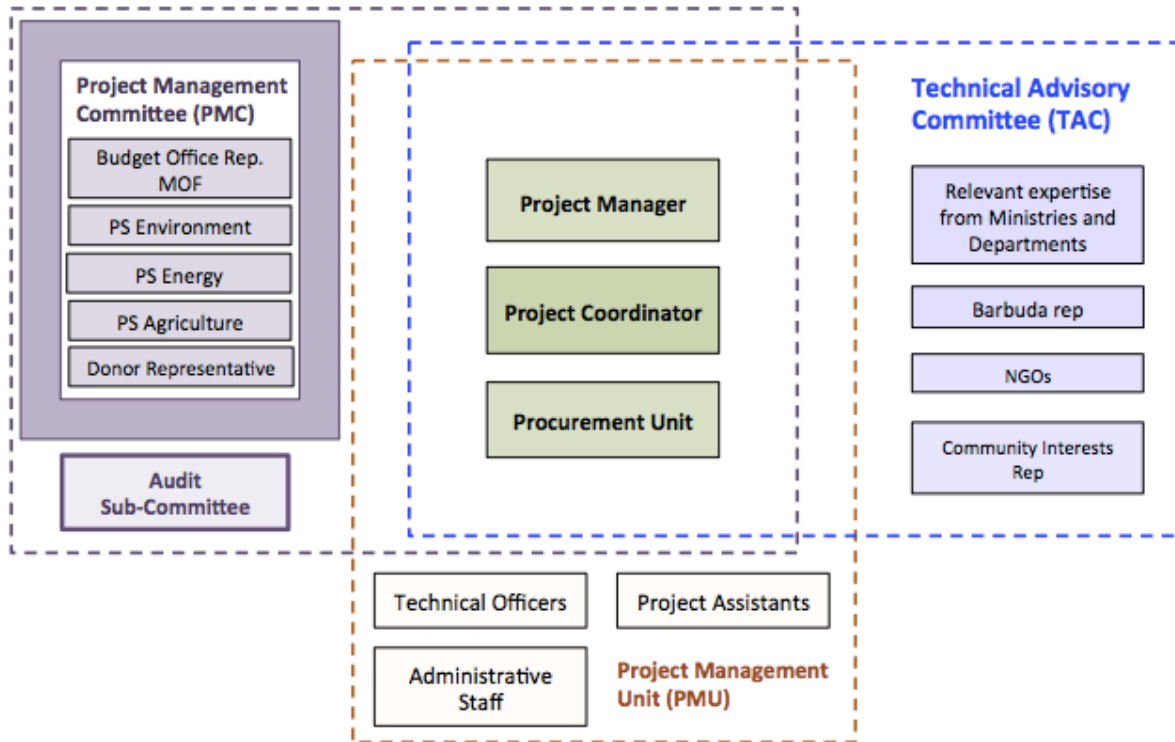


Figure 13. Diagram of the NIE's project management structure

## B. Financial and project risk management

**Table 6. Screening for Project Risk Management framework for this project**

| Type      | Risk                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Risk Management                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Ranking                          |
|-----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|
| Financial | <p>Raising the profile of climate risks in the community through hazard mapping and climate projection forecasting could negatively impact community perceptions of their area and its safety, could result in lower property values and/or higher insurance rates if banks are sensitized to the hazard information.</p> <p><u>Homeowners may not be in a position to repay the loans. Thus jeopardize the sustainability of the program;</u></p> <p><u>The funds available may not be adequate and thus create and political risk.</u></p> | <p>Mitigate identified climate hazards through concrete adaptation interventions, and disburse \$3M USD in small loans for concrete adaptation interventions at the household level to incentivize compliance with climate resilience standards.</p> <p><u>The mitigation measures are not known as yet. This will be determined during the PP phase. The intention however is to as much as possible use direct salary deductions for repayments. This is normal way to make payments on homes in Antigua and Barbuda.</u></p> <p><u>The aim would be to give priority to those properties that will be impacted by the vulnerability assessments, changes in the building codes and the land use plan. The project may identify stranded assets. Priority will also be given to persons who will find it challenging to move to a shelter. These are single families with special needs individuals and elderly. Further priority can be developed with the input of the Ministry of Finance the</u></p> | <p><u>HighMedium to high</u></p> |

|           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                              |                 |
|-----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|
|           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <a href="#"><u>Community and others. Finally, the SIRF Fund is seeking additional funding through other donors. The Fund aims to have 10M USD per year in the revolving loan fund. This is the amount estimated to be needed to get all of the 50,000 properties in Antigua and Barbuda ready for the impacts of climate by 2022.</u></a>                                                                    |                 |
| Financial | Scope creep is a risk to this project given so many agencies and NGOs each with their priorities. At the end of the consultation exercise there are normally more projects and activities than budget. The process of rationalizing this must be carefully handled and is normally left to the Minister and or Permanent Secretary based on the advice of the Director of the Department. This process can be very difficult and can result in agencies not supporting the project if their preferences are not chosen. | <p>The Department will draw on its long-term relationships with agencies to build trust and compromise. In instances where the Department may not be able to mitigate scope creep, it may ask the Cabinet to agree at the appropriate time on project scope.</p> <p>The use of the Cabinet early in the project is important since project scope has significant budget and project impact implications.</p> | High            |
| Financial | The project may not receive the funds on time, or there may be a slow disbursement of funds, which can have a significant impact on implementation and co-financing availability.                                                                                                                                                                                                                                                                                                                                       | Request a large upfront disbursement from the Adaptation Fund (40%) <del>to e</del> Ensure synergy with Cabinet decisions, the PSIP process, and ongoing projects that could provide temporary relief for slow disbursement. The Department of Environment tries to ensure that there is at least a 5% contingency fund within its core government budget for such situations.                               | Medium/<br>High |

|           |                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |        |
|-----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|
| Financial | Disputes in the decision-making process, e.g. TAC may not agree on the selection of the consultant and/or service provider; TAC may disagree on technical way forward; the Project Manager may disagree with the TAC's technical analysis and project strategy; and the PMC disagrees with the Project Manager and/or the TAC | Include contract resolution procedures within contracts – most contracts are written to include an arbitration clause. The Ministry sanctions the contracts prepared by the Department. Any arbitration is the responsibility of the Attorney General Office.<br>Negotiation – The Project Manager and or Coordinator is usually the first line of conflict resolution. In the experience of the Department, most conflicts encountered have been resolved at this level.                                                                                                                                                                                           | Medium |
| Financial | Disputes during contract execution, e.g. the quality of the work is assessed to be inadequate, or regarding issues related to budget and completion time of work                                                                                                                                                              | Mediation and Conciliation - If the Project Manager and or Coordinator cannot resolve the conflict, the matter is forwarded to the Project Management Committee and/or the office of the Permanent Secretary for mediation. Most conflicts that have reached this level are normally related to interagency differences of opinions. Generally when the Permanent Secretary rules on an issue the conflicting parties normally abide by the decision.<br>Litigation - In the event of litigation this is handled by the office of the Attorney General. This level is normally reached for contract disputes and or as a result of the implementation of a project. | Low    |

|                      |                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                |
|----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| Financial            | The costs of implementing adaptation may be higher than expected.                                                                                                      | The Department has identified maximum complementarity with existing and upcoming opportunities, including the SCCF project, which will deliver baseline data on similar interventions. The Department will also secure technical capacity support for monitoring, procurement and financial reporting in order to determine spending levels versus achievement against the results framework. Where necessary and when in doubt, the Department consults the Legal Affairs department. | Medium         |
| Financial            | Adaptation interventions are insufficient and underestimate the impacts of climate change. Climate impacts are already being experienced much sooner than anticipated. | The climate risk assessments completed for Antigua and Barbuda employ different climate scenarios. The project will use the higher risk scenarios for planning and to calculate costing for adaptation interventions.                                                                                                                                                                                                                                                                  | Low/<br>Medium |
| Environmental        | Extreme climatic events and climate variability affect the confidence of local community members to embrace adaptation measures                                        | The project will incorporate weather conditions – extreme rainfall, storm events and extreme drought – that can sometimes overwhelm ecosystem rehabilitation projects into planning and operational contingencies.                                                                                                                                                                                                                                                                     | Medium         |
| <u>Environmental</u> | <u>Impervious surfaces introduced by the project increase runoff and results in soil erosion and negatively impacts downstream water quality</u>                       | <u>Use ecosystem-based approaches, such as revegetating areas, to maximize the co-benefits of ecosystem services</u>                                                                                                                                                                                                                                                                                                                                                                   | <u>Low</u>     |



|                                |                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                        |                             |
|--------------------------------|-----------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|
| <u>Social including gender</u> | <u>The project does not benefit its target vulnerable populations, including female headed households</u> | <u>Undertake a participatory Social Risk Assessment and develop a Management Plan at the project preparation stage; ensure compliance with recommended measures throughout project implementation</u>                                                                                                                                                                  | <u>Medium</u>               |
| <u>Social including gender</u> | <u>The project does not achieve its gender balance in community leadership and empowerment</u>            | <u>From the project preparation phase, identify community leaders with good gender knowledge and culture practices, and cultivate relationships for project implementation; monitor workshop and consultation participation; track gender disaggregated indicators as well as the SDGs</u>                                                                             | <u>Low</u>                  |
| Institutional                  | Policymakers prioritize economic benefits over sustainable and resilient ecosystems                       | The project has policy backing, and will build on complementary climate change policy initiatives through the regional GCCA project. The consultative processes led by CARIBSAVE have also secured local community buy-in and ongoing awareness targeted at high-level political representatives has been demonstrating the risks of flooding to economic investments. | <u>Medium</u><br><u>Low</u> |
| Institutional                  | Institutions have limited capacity to fully implement the project                                         | Design the project to align with work plans of core staff in the respective agencies, bolstered through the PSIP process. The Project also aims to build capacity in key institutions – the Environment Department, Public Works, and the DCA.                                                                                                                         | <u>Medium</u><br><u>Low</u> |

## C. Environmental and social risk management

The project is a Category B according to the Environmental and Social Safeguards guidelines – the project could have minor environmental or social impacts, including potential gender impacts. These will be ~~documented~~ assessed and a risk management plan will be developed at the project preparation phase (Annex 3) prior to submission of the full project document. In addition, in an environmental impact assessment as required under national law will be developed during project implementation once the technical drawings for Component 1 are drafted. In the interim, a technical feasibility study will be completed during the project preparation stage. These assessments will contract third party experts to assess ~~address~~ potential environmental, and social and gender risks, including considering all potential direct, indirect, transboundary, and cumulative impacts and risks that could result from the project activities, assessing alternatives to the project activities, and recommending measures to avoid, minimize, or mitigate all environmental and social risks ~~and include a proposed risk management plan. A preliminary environmental and social impact statement will be prepared by the Department of Environment in collaboration with experts from the Gender Affairs Division during the project preparation stage. This will be followed by a full assessment to be conducted by an independent entity during the implementation stage prior to the conduct of any works on the waterway or pond.~~

A comprehensive risk management strategy is an integral part of the project, and budget lines ~~will be~~ are dedicated for Monitoring and Evaluation (M&E) – including through the awarding of a community contract to support transparency and accountability – to ensure that the necessary resources are allocated to execute the M&E framework. The project’s comprehensive M&E framework will meet and exceed GEF’s Agency Minimum Standards on Environmental and Social Safeguards as defined in Policy PL/SD/03, and drawing on the Department’s safeguards formalized under the Accreditation process.

The Department of Environment has screened initial eEnvironmental and social risks and proposed mitigation measures ~~are assessed~~ in Annex 2, the “Risk Registry”.

## D. Monitoring and evaluation arrangements

The results based monitoring framework will be developed during the project preparation phase of this project, where the framework and indicators will be developed jointly among stakeholders to facilitate ownership and will include appropriate gender and social and economic variables.

Monitoring of benefits and effectiveness of the project’s ecosystem-based measures will be maintained beyond the life of the project through aligning this project’s indicators with indicators in Antigua and Barbuda’s Medium-term Development Strategy for 2016 – 2020. Indicators in the strategy that are relevant to this project include:

- Local Area Development Plans on the level of watershed units as required by the National Physical Development Plan

- Incidence of unplanned development
- Ground and surface water quality – level of coliforms
- Incidence of water- borne disease, and other diseases related to poor sanitation

Given the nature of the project, the Department of Environment will contract the services of a M&E Coordinator to be responsible for the data collection, compilation, and monitoring and reporting of the project, as well as operational support and additional assistance in the design and implementation throughout the project, adjusting project outcomes and activities according to a changing context. It is important to remain flexible to and learn from inevitable unforeseen changes in the operational landscape using an adaptive management approach.

Reporting will take place on a quarterly and annual basis in accordance with Adaptation Fund standards. The monitoring and reporting plan involves an iterative approach to collecting data and improving the project design. The project will commence following and inception workshop with local and national stakeholders, the Environment Department team and the CARIBSAVE team assigning and clarifying the project purpose, project roles and responsibilities, and addressing any outstanding barriers to implementation.

Following the start of the project, two reports will document the progress of the project: the annual project performance report will be prepared by the implementation team, shared with the Adaptation Project Board and submitted to the Donor; and the Mid-term report will focus on the overall momentum of the project, financial and time efficiency, risk management and whether the project is responsive and adaptive to the barriers and challenges faced along the way. Finally, the project will conclude following an independent final annual evaluation and outstanding outputs have been produced and queries addressed. The final evaluation will reflect on all previous evaluation and site visits conducted reporting the success of the project in terms of achieving the objectives set out at the inception of the project.

**Table 7. Budgeted M&E plan**

| <b>Monitoring and Evaluation Costs</b>                     |                      |                           |        |
|------------------------------------------------------------|----------------------|---------------------------|--------|
| M&E Activity                                               | Frequency            | Responsibility            | Cost   |
| Project Inception Workshop                                 | At start of project  | PMU, TAC                  | 5,000  |
| Project Progress Report                                    | Quarterly            | PMU, TAC, M&E Coordinator |        |
| Annual Project Report including field visits and workshops | Annually             | PMU, TAC, M&E Coordinator | 35,000 |
| Consultant Reports                                         | Per Activity         | M&E Coordinator           | 10,000 |
| Mid-term independent evaluation                            | At project mid-point | M&E Coordinator           | 25,000 |

|                                      |                |                           |         |
|--------------------------------------|----------------|---------------------------|---------|
| Final Independent Project Evaluation | End of project | M&E Coordinator, TAC, PMU | 30,000  |
| Total                                |                |                           | 105,000 |

## E. Results Framework

| Components                                                                                                                                | Objectives/Outcome                                                                                                                        | Outputs                                                                                                                                                                                                                                                                                                                                                          | Indicator                                                                                                                                                                                                                                                                                                               | Baseline                                                                                                                                                                                                                                                                               | Target                                                                                                                                                                                                                                                                                                                                                                                               | Verification                                                                                                                                                                                                                                                                                                         |
|-------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. Upgrade urban drainage and waterways to meet projected climate change impacts                                                          | 1.2 Increased ecosystem resilience of the McKinnon's waterway in response to climate change, extreme rainfall events, and disease vectors | <p>1.1.1. Technical drawings taking into consideration past flooding events, AR5 projections, and designs that reduce the risks of vector-borne diseases</p> <p>1.1.2. Restore and upgrade McKinnon's 3 km waterway to meet new adaptation requirements for flooding and vector control, taking into account ESS and gender considerations within the design</p> | <p># meters of climate-resilient drainage installed</p> <p>Climate-resilient Local Area Plan</p> <p>% Improvement in water quality (nutrients, pollution levels and contaminants reduced)</p> <p>% change in mosquito larvae in water bodies in the area</p> <p><u>(Gender and ESS indicators to be identified)</u></p> | <p>No local adaptation plan in existence</p> <p>No flood capacity analysis available</p> <p>Regular flooding during heavy rainfall events</p> <p>Check dam not currently in existence</p> <p>Climate resilient drainage adaptation <del>measures</del> <del>not</del> demonstrated</p> | <p>The McKinnon's waterway can withstand a 1 in 25 year extreme rainfall event</p> <p>Water quality standards meet criteria set in the Environmental Protection and Management Act of 2015</p> <p>Mosquito larvae in water bodies in the area are reduce by at least 30 percent</p> <p><u>Risk for ESS including gender impacts identified and all mitigated measures agreed and implemented</u></p> | <p>Water quality testing before and after project</p> <p>Visual observation of flooding during rainfall events, Project reports, land permits</p> <p>Results of flood mitigation climate modeling analysis</p> <p>Health data from local clinics</p> <p><u>Indicators identified and tracked by consultants.</u></p> |
| 2. Revolving Loans for homes in McKinnon's watershed to meet new adaptation guidelines established in the building code and physical plan | 2.1 Increased adaptive capacity of built infrastructure and communities to withstand extreme weather and climate variability              | 2.1.1. At least 5% of the homes in the target area, during the life of the project, have applied for loans for adaptation measures to meet new standards                                                                                                                                                                                                         | <p># of micro-loans disbursed</p> <p>% households with off-grid RE systems</p> <p>% households in compliance with new climate resilient building code measures</p> <p># of climate-related damage incidents</p>                                                                                                         | <p>Low adherence to/ implementation of climate resilient guidelines and planning requirements</p> <p>Building codes not uniformly followed</p> <p>Vulnerable community members are unable to access "soft" loans for adaptation</p>                                                    | <p>5% of homes are equipped with 2 weeks worth of water stored on-site with filtration and pump equipment</p> <p>5% of homes benefit from the installation of hurricane shutters and rain water harvesting</p> <p>50% reduction in the number of persons</p>                                                                                                                                         | <p>Project report</p> <p>Loan agreements signed</p> <p>Visual observation and project documents</p> <p>Monitoring and Evaluation</p>                                                                                                                                                                                 |

|                                                                                                              |                                                                                                                                                                    |                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                              |
|--------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                              |                                                                                                                                                                    |                                                                                                                                                                                                                                                                                          | reported                                                                                                                                                                                                                                                                                                                          | <p>Historical instances of damage to community property and households</p> <p>No ecosystem based adaptation measures demonstrated</p>                                                                                            | <p>requiring shelters during droughts, with priority for vulnerable populations (single mothers, older persons, children, special needs children)</p> <p>5% of homes have back-up RE (for essential services including pumping water)</p> <p><u>50 % of the homes identified are from the most vulnerable groups.</u></p>                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                              |
| 3: Adaptation mainstream and capacity building in NGOs and community groups to sustain project interventions | 3.1. Improved ownership of adaptation and climate risk reduction to sustain and scale-up actions for transformative adaptation interventions at the national level | <p>3.1.1. <u>350%</u> of the community-based buildings in the areas have benefitted from grants to improve the resilience of their buildings</p> <p>3.1.2. Three contracts are awarded to community groups/NGOs to maintain the adaptation interventions accomplished by the project</p> | <p>% of community buildings receiving support for climate resilience measures</p> <p># community contracts awarded for project implementation activities</p> <p># of McKinnon's watershed community members attending/ completing training</p> <p># guidelines published and disseminated</p> <p># of presentations conducted</p> | <p>No community contracts for waterway maintenance</p> <p>Community-based shelters do not meet safety and climate resilience guidelines</p> <p>No media products relating to Local Area Plan or knowledge products available</p> | <p><u>350%</u> of community-based buildings benefit from grants to improve their resilience</p> <p>30% of A&amp;B's population is exposed to the project's public awareness material</p> <p>3 community groups are trained in the management and maintenance of adaptation interventions</p> <p>50 copies of McKinnon's waterway environmental management guidelines produced/ disseminated <u>and available in easy to understand language, and using pictures.</u></p> <p>At least 3 presentations and workshops to stakeholders <u>by the department and by NGOs</u></p> | <p>Meeting minutes/record, Project documents</p> <p>MOUs between the Government and community groups/NGOs</p> <p>Contracts between the Government and community groups/NGOs</p> <p>Visual Observation, Project documents</p> |



|  |  |  |  |  |                                                                  |  |
|--|--|--|--|--|------------------------------------------------------------------|--|
|  |  |  |  |  | <u>to the community with funding provided by the Department.</u> |  |
|--|--|--|--|--|------------------------------------------------------------------|--|

## F. Alignment with the Adaptation Fund's Results Framework

| Project Objective(s) <sup>69</sup>                                                                                                                                                                                                                                                                                                                                                                                                                                          | Project Objective Indicator(s)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Fund Outcome                                                                                                                                                                                                                                                                                                                                                          | Fund Outcome Indicator                                                                                  | Grant Amount (USD) |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|--------------------|
| <p><b>An integrated approach to physical adaptation and community resilience in Antigua and Barbuda's northwest McKinnon's watershed</b> seeks to reduce vulnerability of the community, by increasing the ability of the watershed to handle extreme rainfall, while increasing the resilience of the built environment simultaneously. This integrated approach will ensure that the community as a whole will be able to withstand projected climate change impacts.</p> | <p>1) 3 km of urban and semi-urban waterways meet projected climate change, in particular extreme hydro-meteorological events and disease vectors</p> <p>2) \$3M is disbursed in soft revolving loans to vulnerable households to meet new adaptation guidelines and standards for built infrastructure to withstand extreme climate variability</p> <p>3) <del>35</del>0% of community infrastructure in target area is resilient to climate change and 3 community contracts are awarded for project implementation</p> | <p>Assist developing-country Parties to the Kyoto Protocol that are particularly vulnerable to the adverse effects of climate change in meeting the costs of concrete adaptation projects and programmes in order to implement climate-resilient measures.</p> <p>Outcome 4: Increased adaptive capacity within relevant development and natural resource sectors</p> | <p>4.2. Physical infrastructure improved to withstand climate change and variability-induced stress</p> | <b><u>10M</u></b>  |

<sup>69</sup> The AF utilized OECD/DAC terminology for its results framework. Project proponents may use different terminology but the overall principle should still apply

| Project Outcome(s)                                                                                                                                                | Project Outcome Indicator(s)                                                                                                                                                                                                                                                                                               | Fund Output                                                                                        | Fund Output Indicator                                                                                                                                             | Grant Amount (USD)        |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|
| 1.1 Increased ecosystem resilience of the McKinnon's waterway in response to climate change, extreme rainfall events, and disease vectors                         | # meters of climate-resilient drainage installed<br><br>Climate-resilient Local Area Plan<br><br>% Improvement in water quality (nutrients, pollution levels and contaminants reduced)<br><br>% change in mosquito larvae in water bodies in the area                                                                      | 4.1. Development sectors' services responsive to evolving needs from changing and variable climate | 4.1.1. No. and type of health or social infrastructure developed or modified to respond to new conditions resulting from climate variability and change (by type) | <b><u>\$3,535,000</u></b> |
| 2.1 Increased adaptive capacity of built infrastructure and communities to withstand extreme weather and climate variability                                      | # of micro-loans disbursed<br><br>% households with off-grid RE systems<br><br>% households in compliance with new climate resilient building code measures<br><br># of climate-related damage incidents reported                                                                                                          | 6.1 Percentage of households and communities having more secure access to livelihood assets        | 6.1.1. Number and type of adaptation assets (physical capital, natural capital) created in support of individual or community livelihood strategies               | <b><u>\$3,110,000</u></b> |
| 3.1 Improved ownership of adaptation and climate risk reduction to sustain and scale-up actions for transformative adaptation interventions at the national level | % of community buildings receiving support for climate resilience measures<br><br># community contracts awarded for project implementation activities<br><br># of McKinnon's watershed community members attending/ completing training<br><br># guidelines published and disseminated<br><br># of presentations conducted | 3.2. Modification in behavior of targeted population                                               | 3.1.1 Number and type of risk reduction actions or strategies introduced at local level                                                                           | <b><u>\$2,380,000</u></b> |



## G. Detailed Budget

| <b>PROJECT BUDGET</b>                                                                                                                                                                                                                           |  |                            |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|----------------------------|
| <b>Outputs</b>                                                                                                                                                                                                                                  |  | <b>Cost est.<br/>(USD)</b> |
| <b>Component 1. Upgrade urban drainage and waterways to meet projected climate change impacts</b>                                                                                                                                               |  |                            |
| <b><i>Outcome 1.1. Increased ecosystem resilience of the McKinnon's waterway in response to climate change, extreme rainfall events, and disease vectors</i></b>                                                                                |  |                            |
| <b>Output 1.1.1. Technical drawings taking into consideration past flooding events, AR5 projections, and designs that reduce the risks of vector-borne diseases</b>                                                                             |  |                            |
| Analysis and Hazard Mapping activities drawing from previous studies and current areas of vulnerability                                                                                                                                         |  | 10,000                     |
| Climate impact modeling to inform planning, including modeling of sea level rise, flooding, hurricane, drought and temperature projections under AR5 climate scenarios and projected development trends                                         |  | 42,000                     |
| Technical engineering drawings for the waterway                                                                                                                                                                                                 |  | 200,000                    |
| Consultations on the new design to ensure that ESS and Gender issues are included                                                                                                                                                               |  | 10,000                     |
| Apply for Physical planning and conduct EIA and other studies required for approval                                                                                                                                                             |  | 13,000                     |
| <b>Output 1.1.2. Restore and upgrade McKinnon's 3 km waterway to meet new adaptation requirements for flooding and vector control, taking into account ESS and gender considerations within the design</b>                                      |  |                            |
| Finalization of physical development plan and submission for approval and implementation, including pollution management, waterway management, and flood management strategy.                                                                   |  | 60,000                     |
| Construction of flood prevention infrastructure - improving major and minor watercourse drainage, removing debris blockages, relocating natural watercourse barriers/reintegrating natural watercourses with sustainable urban drainage methods |  | 3,000,000                  |
| Vector control (ecosystem-based rehabilitation method)                                                                                                                                                                                          |  | 70,000                     |
| Monitoring and Evaluation of the Works                                                                                                                                                                                                          |  | 50,000                     |
| Incorporating new climate requirements into the Building Codes                                                                                                                                                                                  |  | 20,000                     |
| Integration of the LAP into the implementation practices of the DCA (building codes into Local Area Plan, pollution regulation, accountability measures)                                                                                        |  | 30,000                     |
| Prepare management and monitoring plans, and train the implementers                                                                                                                                                                             |  | 30,000                     |
| <i>Component 1 Subtotal</i>                                                                                                                                                                                                                     |  | <i>3,535,000</i>           |
| <b>Component 2. Revolving Loans for homes in McKinnon's watershed to meet new adaptation guidelines established in the building code and physical plan</b>                                                                                      |  |                            |
| <b><i>Outcome 2.1 Increased adaptive capacity of built infrastructure and communities to withstand extreme weather and climate variability</i></b>                                                                                              |  |                            |
| <b>Output 2.1.1. At least 10% of the homes in the target area, during the life of the project, have applied for loans for adaptation measures to meet new standards</b>                                                                         |  |                            |
| Identification and costing of the adaptation actions needed for homes, private sector and community infrastructure                                                                                                                              |  | 20,000                     |
| Prepare regulations under the Finance Act to regulate the Revolving Loan program                                                                                                                                                                |  | 10,000                     |

|                                                                                                                                                              |                  |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|
| The Revolving Loan program vested into the relevant institutional arrangements, which are convened to oversee disbursement and monitoring                    | 10,000           |
| Disburse loans for adaptation interventions for eligible households that will be impacted by flooding within the watershed (this includes management fees)   | 3,000,000        |
| Design and implement a monitoring program for the loan program and its impacts;                                                                              | 50,000           |
| Prepare and share best practices for entire island                                                                                                           | 20,000           |
| <i>Component 2 Subtotal</i>                                                                                                                                  | <i>3,110,000</i> |
| <b>Component 3. Adaptation mainstreaming and capacity building in NGOs and community groups to sustain project interventions</b>                             |                  |
| <b><i>Outcome 3.1. Establish a grant program for NGOs and Community groups to improve the resilience of their buildings in the target area</i></b>           |                  |
| <b>Output 3.1.1. <del>35</del>50% of the community-based buildings in the areas have benefitted from grants to improve the resilience of their buildings</b> |                  |
| Identify groups in the area that qualify for grants and provide training in fiduciary and financial management, and technical training on adaptation         | 20,000           |
| Adapt guidelines and adaptation criteria from Component 2 for the NGO/community grants for adaptation                                                        | 10,000           |
| Enter into a MOU with a relevant entity to process and manage the community grants                                                                           | 15,000           |
| Disburse grants to communities and NGOs for adaptation and resilience measures in community buildings using adaptation criteria                              | 1,500,000        |
| <b>Output 3.1.2. Three contracts are awarded to community groups/NGOs to maintain the adaptation interventions accomplished by the project</b>               |                  |
| Develop a comprehensive communications plan for broad-based community education, awareness and mobilization of support                                       | 35,000           |
| Award a community contract to implement the communications plan and disseminate information nationally, regionally and internationally                       | 250,000          |
| Award community contract(s) to maintain the sustainable urban planning interventions, working with CBH                                                       | 250,000          |
| Award a community contract for M&E of adaptation measures including facilitating stakeholder engagement for M&E                                              | 300,000          |
| <i>Component 3 Subtotal</i>                                                                                                                                  | <i>2,380,000</i> |
| <b>NIE Project Execution costs *max 9.5% of total budget)</b>                                                                                                |                  |
| Project management                                                                                                                                           | 250,000          |
| Project coordination                                                                                                                                         | 220,000          |
| Administrative assistants                                                                                                                                    | 100,000          |
| Overheads and administration                                                                                                                                 | 110,000          |
| Administrative support (x3)                                                                                                                                  | 125,000          |
| Monitoring and Evaluation                                                                                                                                    | 140,000          |
| <i>Project Management Subtotal</i>                                                                                                                           | <i>945,000</i>   |
| <b>Total Project</b>                                                                                                                                         | <b>9,970,000</b> |

## H. Disbursement schedule with milestones (~~loans needs to be disbursed upfront~~)

**Table 8. Disbursement milestones**

| <b>Milestones</b>         | <b>Timeline</b> | <b>Disbursement Percentage</b> |
|---------------------------|-----------------|--------------------------------|
| Project Inception*        | 2016            | 40%                            |
| Mid-term Review           | 2017            | 45%                            |
| Project/Programme Closing | 2019            | 10%                            |
| Terminal Evaluation       | 2020            | 5%                             |

\*Note: the frontloading of disbursements is to accommodate the need for upfront disbursements of the adaptation loans under Component 2.

**PART IV: ENDORSEMENT BY GOVERNMENT AND CERTIFICATION BY THE IMPLEMENTING ENTITY**

**A. Record of endorsement on behalf of the government<sup>70</sup>** *Provide the name and position of the government official and indicate date of endorsement. If this is a regional project/programme, list the endorsing officials all the participating countries. The endorsement letter(s) should be attached as an annex to the project/programme proposal. Please attach the endorsement letter(s) with this template; add as many participating governments if a regional project/programme:*

|                                     |                             |
|-------------------------------------|-----------------------------|
| <i>Ambassador Diann Black-Layne</i> | <i>Date: April 11, 2016</i> |
|-------------------------------------|-----------------------------|

**B. Implementing Entity certification** *Provide the name and signature of the Implementing Entity Coordinator and the date of signature. Provide also the project/programme contact person's name, telephone number and email address*

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                        |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>I certify that this proposal has been prepared in accordance with guidelines provided by the Adaptation Fund Board, and prevailing National Development and Adaptation Plans (National Communications to the UNFCCC, INDC, National Physical Development Plan, National Biodiversity and Action Plan) and subject to the approval by the Adaptation Fund Board, <u>commit to implementing the project/programme in compliance with the Environmental and Social Policy of the Adaptation Fund</u> and on the understanding that the Implementing Entity will be fully (legally and financially) responsible for the implementation of this project/programme.</p> |                                                                                                                                                                                                                                                                                        |
| <p>.....<br/> <i>Ambassador Diann Black-Layne</i><br/>                 Implementing Entity Coordinator</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                        |
| <p><i>Date: April 11, 2016</i></p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <p>Tel. and email:<br/>                 +1 (268) 462-4625<br/>                 Environment Division Antigua<br/> <a href="mailto:antiguaenvironmentdivision@gmail.com">antiguaenvironmentdivision@gmail.com</a>,<br/> <a href="mailto:dcblack11@gmail.com">dcblack11@gmail.com</a></p> |

<sup>6</sup>. Each Party shall designate and communicate to the secretariat the authority that will endorse on behalf of the national government the projects and programmes proposed by the implementing entities.



Project Contact Person:

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And/or

Ruleta Camacho Thomas (Mrs)

Deputy Director

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Ministry of Health and the Environment

Victoria Park Botanical Gardens

St. John's, Antigua

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sirmmab@gmail.com

Tel. And Email: See above

**ANNEX 1. ~~SIRF Fund Business Concept, identifying small loans window~~ Work plan for the development of the full project document**

**Project Preparation Phase Timeline (May – August 2016)**

- 23 May: Hire Consultant(s) to conduct studies
- 25 May: Present project work plan to the TAC (invite Gender Affairs and Women Against Rape to attend the TAC)
- 13 June: First draft of Technical Feasibility Study is due (circulate for comments)
- 19 – 26 June: McKinnon's/Yorks/Gambles community consultations
- 27 June **Final Technical Feasibility Study**
- 4 July: First draft of Environmental and Social Assessment, including the gender assessment/analysis, and Management Plan is due (circulate for comments)
- 11 July: **Final draft of Environmental and Social Assessment and Management Plan**
- 25 July: First draft of Full Project Document is due
- 1 August: **Full Project Document is submitted to the Adaptation Fund**

Please see PDF attachment.

**ANNEX 2. Risk Registry for project: *An integrated approach to physical adaptation and community resilience in Antigua and Barbuda’s northwest McKinnon’s watershed***

This project is considered to be a Category B in accordance with the AF’s Environmental and Social Policy.

| Description                        | Potential consequence                                                                                                                                                                                                  | Mitigation measures                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Risk category  | Probability & impact (1–5) |
|------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------------------|
| Delays in policy revision process. | Any Inefficiencies in existing policy revision system hampers mainstreaming of climate change into national policies and plans. This is particularly true for adaptation where the measures may be resource intensive. | <ul style="list-style-type: none"> <li>• The Project Management Committee and the Technical Advisory Committee, which consists of representatives from 15 agencies, will track and report on progress of policies as they move through the revision process – addressing procedural roadblocks as they arise.</li> <li>• The policy measures will be initiated early within the project and will benefit from the implementation of other project activities that will provide public and political support. The existing building codes are already at a high standard and can be an adequate basis for the loans to be process, while awaiting the approval or agreement on the new codes.</li> <li>• Public awareness of the impacts of climate change and the urgent need for the local area plan</li> </ul> | Organisational | P = 3<br>I = 2             |
| High turnover of staff             | High staff turnover                                                                                                                                                                                                    | <ul style="list-style-type: none"> <li>• Deputies and alternative</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Organisational | P = 1                      |

| Description                                                                                                                    | Potential consequence                                                                                     | Mitigation measures                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Risk category            | Probability & impact (1–5) |
|--------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|----------------------------|
| members in implementing agencies<br>Such as the public work departments and other government agencies working on this project. | and poor institutional memory result in disruptions or delays in project implementation and coordination. | <p>representatives within the institutions will be recommended at inception to ensure that sufficient membership continuity is available.</p> <ul style="list-style-type: none"> <li>• The PMC will make use of established government structures to capitalise on functioning systems.</li> </ul>                                                                                                                                                                            |                          | I = 2                      |
| Insufficient uptake of small loans                                                                                             | Insufficient climate change adaptations interventions implemented by vulnerable households.               | <ul style="list-style-type: none"> <li>• Workshops and outreach activities on applying to the SIRF.</li> <li>• National awareness raising activities and campaigns will be rolled out to spread awareness of innovative financing mechanisms and adaptation interventions.</li> </ul>                                                                                                                                                                                         | Social <u>and Gender</u> | P = 1<br>I = 4             |
| Limited capacity of institutions to undertake data collection in order to create local area development plans                  | Effectiveness of local area development plans reduced                                                     | <ul style="list-style-type: none"> <li>• Government technicians will be trained on technical skills required to develop local area development plans <i>inter alia</i>: i) use of the EIMAS to store information and the use of GIS and other equipment/tools for mapping and planning; ii) management of threats to vulnerable ecosystems such as watershed degradation; iii) climate vulnerability and risk analysis; and iv) community engagement and outreach.</li> </ul> | Institutional            | P = 3<br>I = 4             |

| Description                                                | Potential consequence                                                                                                                                    | Mitigation measures                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Risk category  | Probability & impact (1–5) |
|------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------------------|
|                                                            |                                                                                                                                                          | <ul style="list-style-type: none"> <li>• The project will allow for the use of university students to assist with the development of the plan;</li> <li>• Community groups will be engaged in data collection and evaluation.</li> <li>• There is considerable amount of baseline data but the analysis based on the AR5 is still to be done for the site</li> <li>• Where financially possible use consultants.</li> </ul>                                                                                                                                                                              |                |                            |
| Lack of inter-institutional data sharing or collaboration. | Limited transfer of relevant project information amongst role players and end-users resulting in delayed or ineffective implementation of interventions. | <ul style="list-style-type: none"> <li>• Representation of a range of stakeholders on the PMC and the TAC will promote collaboration and cooperation between government and other institutions.</li> <li>• Support informal knowledge sharing opportunities such as networking events between relevant government departments/units.</li> <li>• The local area development plans to be developed are required by law to have consultation and collaboration between institutions after which they will be approved and published by the Parliament.</li> <li>• The new National Environmental</li> </ul> | Organisational | P = 2<br>I = 3             |

| Description                                                                                 | Potential consequence                                                                                                                                                                                                                                   | Mitigation measures                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Risk category         | Probability & impact (1–5) |
|---------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|----------------------------|
|                                                                                             |                                                                                                                                                                                                                                                         | <p>Management Strategy (NEMS) will establish an environmental data system to provide detailed information to a wide range of stakeholders.</p>                                                                                                                                                                                                                                                                                                                                                                            |                       |                            |
| <p>Limited government support for project activities in pilot intervention sites</p>        | <p>Loss of government support may result in lack of prioritisation of proposed project activities.</p>                                                                                                                                                  | <ul style="list-style-type: none"> <li>• Training of government technicians, policy makers and other relevant stakeholders on: i) the effects of climate change on Antigua and Barbuda; and ii) the benefits of adaptation interventions implemented by the project.</li> <li>• Enhance community support for the project, including awarding community contracts</li> </ul>                                                                                                                                              | <p>Organisational</p> | <p>P = 1<br/>I = 4</p>     |
| <p>Disagreement over allocation of loans for implementation of adaptation interventions</p> | <p>It is expected that the fund will be over subscribed and the limited funds for loans may generate conflict. This is particularly true since the project will reveal how vulnerable homes are within the community.</p> <p>Although this will not</p> | <ul style="list-style-type: none"> <li>• The loans will be place within the revolving fund for adaptation under the SIRF Fund and will be governed by regulations under the Finance Act</li> <li>• Establish an impartial system to allocate loans</li> <li>• Seek additional funding to contribute to the loan scheme</li> <li>• Engage community leaders to assist with conflict resolution</li> <li>• Ensure that the system is open and transparent while maintaining confidentiality (e.g. blind review –</li> </ul> | <p>Social</p>         | <p>P = 3<br/>I = 3</p>     |

| Description                                      | Potential consequence                                                                                                             | Mitigation measures                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Risk category         | Probability & impact (1–5) |
|--------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|----------------------------|
|                                                  | stop the project it may cause political and social conflict.                                                                      | names not associated with applications during review process)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                       |                            |
| Extreme climatic events and climate variability  | Current climate and seasonal variability and/or hazard events result in disruption to implementation of adaptation interventions. | <ul style="list-style-type: none"> <li>• Weather forecasting will be taken into consideration when planning climate-sensitive implementation activities. For example, no construction of hard infrastructure or planting will take place during hurricane season.</li> <li>• Design the flooding phase of the project first and implement in as short a time as possible.</li> </ul>                                                                                                                                                                              | Environmental         | P = 3<br>I = 4             |
| Limited commitment/buy-in from local communities | Lack of commitment/buy-in from local communities may result in failure of demonstration projects.                                 | <ul style="list-style-type: none"> <li>• A stakeholder engagement plan will ensure that local communities are sufficiently consulted during planning and implementation.</li> <li>• Project design to ensure that the community can implement sections of the project including monitoring and evaluation.</li> <li>• Awareness-raising campaigns will be undertaken to promote adaptation interventions. These campaigns will highlight the importance of project interventions to the improved resilience of the community and individuals families.</li> </ul> | Social, Environmental | P = 1<br>I = 4             |
| <b>AF 15 Risks category</b>                      |                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                       |                            |



| Description                | Potential consequence                                                                                                                                                                                                                                                                                                                       | Mitigation measures                                                                                                                                                                                                                                                                                                                                     | Risk category | Probability & impact (1–5) |
|----------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|----------------------------|
| 1. Compliance with the Law | The Department of the Environment is an entity established to enforce environmental and physical planning laws. If the laws applicable to this project are not adhered to it will result in the loss of confidence in the institution and project failure. Further the project can encounter legal challenges if the laws are not followed. | <ul style="list-style-type: none"> <li>• The Department is staffed with two lawyers whose job is to ensure that the laws are closely followed</li> <li>• The Department reports to the Minister on these projects which provides another layer of accountability</li> </ul>                                                                             | ESS           | P-1<br>I - 5               |
| 2. Access and Equity       | The loans and grants disbursements may be perceived as unfairly distributed, resulting in loss of public trust and reputational risk for the government                                                                                                                                                                                     | <ul style="list-style-type: none"> <li>• Transparency in decision-making process will be key</li> <li>• Introduce loan and grant review methods that distance the review committee members from personal affiliations and ties, such as conflict of interest disclosures and blind application review <del>precedures</del><u>procedures</u></li> </ul> | ESS           | P-2<br>I-3                 |
| 3. Marginalized            | The project may                                                                                                                                                                                                                                                                                                                             | <ul style="list-style-type: none"> <li>• Design social assessments to</li> </ul>                                                                                                                                                                                                                                                                        | ESS           | P – 2                      |

| Description           | Potential consequence                                                                                                                                                                                                | Mitigation measures                                                                                                                                                                                                                                                                                                                           | Risk category | Probability & impact (1-5) |
|-----------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|----------------------------|
| and Vulnerable Groups | marginalize groups that are non-nationals that reside within the community since they are not the home owners. Further they may not want to participate since they may be considered transient within the community. | <p>better understand the demographics of people in the target communities, to inform policy approaches</p> <ul style="list-style-type: none"> <li>• Work with experts trained in empowering marginalized and vulnerable groups (including the Gender Affairs Division, Women Against Rape, and the Community Development Division)</li> </ul> |               | 1 – 2                      |
| 4. Human Rights       | Non-identified                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                               |               |                            |

| Description                              | Potential consequence                                                                                                                                                                                                                                                                                               | Mitigation measures                                                                                                                                                                                                                                                                         | Risk category | Probability & impact (1–5) |
|------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|----------------------------|
| 5. Gender Equity and Women's Empowerment | The project will impact on the lives of women living within the community. There is potential that inequality may be exacerbated due to the inability of women in women led households or women who are dependent on their partners for income to be able to access loan funding due to low pay and/or poor credit. | <ul style="list-style-type: none"> <li>• Liaise with community leaders to identify vulnerable women within the community.</li> <li>• Specifically tailor a grant mechanism that only they would be able to access. This grant mechanism should have lower rates for paying back.</li> </ul> | Social        | P = 5<br>I = 4             |
| 6. Core Labour Rights                    | No risks identified                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                             |               |                            |
| 7. Indigenous peoples                    | No risks identified                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                             |               |                            |
| 8. Involuntary Resettlement              | Waterway interventions may require the movement of structures or the loss of small amounts of                                                                                                                                                                                                                       | <ul style="list-style-type: none"> <li>• The Land Acquisition Act only allows for voluntary acquisitions. Both parties must agree.</li> <li>• Based on the studies conducted in the past, there are only a few structures that may pose a</li> </ul>                                        | ESS           | P-3<br>I-2                 |

| Description                              | Potential consequence                                                                                                                   | Mitigation measures                                                                                                                                                                                                                                                                                                    | Risk category | Probability & impact (1–5) |
|------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|----------------------------|
|                                          | land.                                                                                                                                   | problem to the project interventions. For example, a used car parts business is located at a critical tributary along the watercourse. The Department cannot force any property owner against their will, the relocation of structures will have to be their choice and the project can assist by providing resources. |               |                            |
| 9. Protection of Natural Habitats        | The area may be upgraded and then become an attraction for the private sector to invest. The gains of the project may then be reversed. | <ul style="list-style-type: none"> <li>The Environmental Management Act 2015 as well as the Physical Planning Act (2003) will be use to protect any area identified as Sites Important for Adaptation (SIAs). The SIAs will be protected from further development.</li> </ul>                                          |               | P-2                        |
| 10. Conservation of Biological Diversity | No negative impacts identified.                                                                                                         |                                                                                                                                                                                                                                                                                                                        |               |                            |
| 11. Climate Change                       | The improvement of the homes, for example installation of AC units to cope with heat waves, may increase electricity                    | <ul style="list-style-type: none"> <li>The project will be partnering with the IWeco and SPPare projects to plant new trees and the protected of the watershed to absorb carbon dioxide;</li> <li>The small loans will ensure that any technology adopted will use</li> </ul>                                          | Mitigation    | P = 4<br>I = 1             |

| Description                                    | Potential consequence                                                                                                            | Mitigation measures                                                                                                                                                                                                                                                                                                                                                                  | Risk category | Probability & impact (1-5) |
|------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|----------------------------|
|                                                | consumption, which is currently supplied with fossil fuels.                                                                      | RE as the energy source to offset potential emissions.                                                                                                                                                                                                                                                                                                                               |               |                            |
| 12. Pollution Prevention & Resource Efficiency | No negative consequences identified.                                                                                             | <ul style="list-style-type: none"> <li>• The project will be working with other projects to improve wastewater management.</li> <li>• The project will also conduct solid waste awareness on the impact of garbage within the waterways;</li> <li>• The community will be managing the waterway, which will also assist with pollution prevention and clean up awareness.</li> </ul> |               |                            |
| 13. Public Health                              | The project interventions may be such that it can cause the breeding of mosquitos via the settling of water within the waterway. | <ul style="list-style-type: none"> <li>• The engineering design will be aware of this possibility and where possible wetland systems will be created using local species of fish for control of mosquitos and other vectors;</li> </ul>                                                                                                                                              | ESS           | P – 3<br>I – 4             |
| 14. Physical and Cultural Heritage             | There are none identified at this time                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                      |               |                            |

| Description                     | Potential consequence                                                                                       | Mitigation measures                                                                                                                                                                                                                               | Risk category | Probability & impact (1-5) |
|---------------------------------|-------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|----------------------------|
| 15. Lands and Soil Conservation | The project interventions may cause further decline in the stability of the waterways within the watershed. | <ul style="list-style-type: none"> <li>The project has a riparian zone re-planting exercise with the project and will use public awareness programs to sensitize the community of the impact of land degradation within the community;</li> </ul> | Environment   | P = 1<br>I = 3             |

### Annex 3. Draft Terms of Reference for Environmental and Social Assessment and Management Plan and Technical Feasibility Study

This Terms of Reference is to be approved by the Technical Advisory Committee (TAC).

#### TERMS OF REFERENCE

##### Technical Feasibility Study Environmental and Social Assessment (including Gender Analysis) and Management Plan

**Project Name:** An integrated approach to physical adaptation and  
community resilience in Antigua and Barbuda's northwest  
McKinnon's watershed

**Contracting Authority:** Department of Environment, Antigua and Barbuda

**Project Duration:** 4 years

**Consultancy Duration:** 65 days

**Start date:** 23 May 2016

#### Introduction

In October 2015, Antigua and Barbuda was accredited as a national implementing entity to the Adaptation Fund<sup>71</sup>, and the country is now submitting a 10 M USD project to the Fund, titled, ***An integrated approach to physical adaptation and community resilience in Antigua and Barbuda's northwest McKinnon's watershed***. This is a consultancy to develop two key reports in a short timeline, in order to enable the Department of Environment to submit to the Adaptation Fund Board a full project proposal for its meeting on August 1<sup>st</sup>, 2016.

The proposed project targets a high risk and populated watershed on the northwest coast of Antigua – the McKinnon's pond watershed. The purpose of the project is to build an institutional and financial framework at the national level to meet the Intergovernmental Panel on Climate Change (IPCC) AR5 climate projections, and the northwest watershed will be a pilot demonstration project as it is a priority given its socio-economic, demographic and environmental characteristics, and it is well placed to provide lessons learned for the entire country.

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<sup>71</sup> Adaptation Fund's Environmental and Social Policy is available here: <http://www.adaptation-fund.org/wp-content/uploads/2015/09/Environmental-Social-Policy-approved-Nov2013.pdf>



The project seeks to reduce vulnerability of communities in the McKinnon's watershed by increasing the ability of the watershed to handle extreme rainfall, while increasing the resilience of the built environment simultaneously to cope with the multiple stressors of climate change. This integrated approach will ensure that the community as a whole can withstand projected climate change impacts while the ecosystems accommodate increased extreme rainfall events.

The three specific objectives of the project, which align with the three components, are to:

4. Implement concrete adaptation actions that support natural and physical systems along the 3 km urban and semi-urban waterways to meet projected climate change, in particular extreme hydro-meteorological events and disease vectors
5. Disburse concessional revolving loans to vulnerable households to meet new adaptation guidelines and standards for built infrastructure to withstand extreme climate variability
6. Support social adaptive capacity and local ownership of adaptation through climate resilient community infrastructure and community-owned project implementation

The preparation phase for the project will take place from May – August 2016. The outcome of the preparatory phase will be a full and validated project document, for submission to the Adaptation Fund Secretariat on August 1<sup>st</sup> 2016. Project implementation is expected to begin in November 2016 over a four-year period, with a terminal evaluation scheduled to take place in May 2020. The project concept document will be made available to the successful consultant, along with other baseline data and documentation.

### **Purpose and Objectives**

The purpose of this consultancy is to ensure that project interventions are designed in accordance with the Environmental and Social Standards and principles of human rights, gender equality and women's empowerment, and environmental sustainability. Project interventions must be gender responsive and consistent with the needs of the most vulnerable populations in the target area – McKinnon's pond watershed on Antigua's northwest coast. While furthering the mission of addressing the adverse impacts of and risks posed by climate change, projects and programmes implemented by the Department of Environment are not to result in unnecessary environmental and social harms.

The objectives of this consultancy are to deliver two key studies:

1. Technical Feasibility Study
2. Environmental and Social Assessment (including Gender Analysis) and Management Plan

## **Deliverable 1: Technical Feasibility Study**

The technical feasibility study will be conducted for the three Components of the project.

The consultant will review the existing studies conducted for the northwest coast, in particular Ivor Jackson and Associated (2002) *Local Area Plan for the Northwest Coast* and conduct a technical feasibility study addressing *inter alia* the areas listed below.

### **Feasibility of approach and proposed activities**

The consultant will undertake a technical feasibility assessment of the proposed concrete adaptation actions to achieve project goals, namely:

- i) Adaptation interventions at the household level and in community buildings in the project area
- ii) Establishment of buffer zones around waterways to prevent building in flood risk zones
- iii) Protection of vegetation cover to reduce erosion
- iv) Construction of check dams/retention ponds to reduce flooding
- v) Re-engineering of waterways to prevent flooding in urban areas
- vi) Bio-remediation to improve water quality and prevent disease vectors
- vii) Clearing of blocked waterways to prevent flooding.

The consultant should outline any technical challenges that might be encountered and proposed mitigation recommendations.

### **Baseline data**

The consultant will assess existing baseline data housed in the Environmental Information Management and Advisory System (EIMAS) in the Department of Environment, in addition to baseline data provided by partner agencies including the Public Works Department. The consultant will review the availability and quality of the data in the context of project activities/outputs, clearly identify data gaps, and propose cost-effective methods for filling data deficiencies.

### **Budget**

The consultant will develop a detailed budget breakdown, with budget notes, for each Component. The consultant will use as a starting point the proposed budget in the concept document (Section G. Detailed budget).

### **Facilitating Implementation**

The consultant will propose a work plan for each Component and deliver draft TOR/RFP/ITB, consulting the Department of Environment regarding procurement guidelines, for required activities under the components, including:

- Climate impact modeling and hazard mapping
- Technical engineering drawings, including climate resilience and vector control measures
- Revise the terms of reference for the EIA
- McKinnon's Watershed Local Area Plan using climate resilient planning and ecosystem-based approaches
- Physical Works contract to implement the technical engineering drawings

### **Deliverable 2. Environmental and Social Assessment (including Gender Analysis) and Management Plan**

The purpose of the Environmental and Social Assessment and Management Plan is to identify and manage environmental and social risks associated with each component of the project. The objectives of this assessment are to (i) consider all potential direct, indirect, transboundary, and cumulative impacts and risks that could result from the project activities; (ii) describe business-as-usual and assess alternatives (including costing alternatives) to the project's activities; and (iii) recommend measures to avoid, minimize, or mitigate all environmental and social risks. Analysis should be undertaken for each Component and associated activities/indicators.

#### **Project activities and socio-economic, cultural, institutional, historical and political context**

The review should include qualitative descriptions and quantitative indicators of development trends relevant to the project, such as significant demographic changes, patterns of asset ownership and livelihoods, external political or economic environment, etc.

#### **Legislative, regulatory and policy considerations**

Review and provide an analysis of national legislation, regulations, policies and multilateral environmental agreements (MEAs) pertinent to the project, particularly governing the project's implementation, protection of environmental services, and the access of poor and excluded groups to goods, services and opportunities. In addition, review the enabling environment for public participation and development planning. Analysis should build on strong aspects of the legal and regulatory systems to facilitate program implementation and identify weak aspects while recommending alternative arrangements. Relevant laws and policies are listed in **Section D. Consistency with national & sub-national sustainable development strategies** of the project concept

as a starting point. Other relevant legislation may include for example the Freedom of Information Act of 2004, among others to be identified by the consultant.

A detailed mapping of the development approval process and milestones should be completed in consultation with the Department of Environment, with opportunities for meaningful stakeholder engagement and input.

### **Environmental and Social Assessment and Gender Analysis**

Based on the contextual information and regulatory considerations, the consultant should conduct a detailed environmental and social assessment of each project component, paying particular attention to key risks and potential mitigation measures:

1. Upgrading urban drainage along the 3 km of waterways in McKinnon's watershed to meet projected climate change impacts
2. Disbursing concessional loans in McKinnon's watershed through the SIRF Fund revolving loan window to enable homes to meet new adaptation guidelines established in the building code and physical plan
3. Capacity building in NGOs and community groups by improving infrastructural resilience of community-based buildings through grants and awarding contracts to community groups/NGOs to maintain the adaptation interventions accomplished by the project

The assessment shall address each of the following: (i) consider all potential direct, indirect, transboundary, and cumulative impacts and risks that could result from the proposed project/programme; (ii) assess alternatives (including costing alternatives in a revised **Table 3 – Scenario Planning to demonstrate cost-effectiveness**); and (iii) assess possible measures to avoid, minimize, or mitigate environmental and social risks<sup>72</sup>. The reporting format should be developed in consultation with the Department of Environment and should align with the Adaptation Fund's template Project Application form<sup>73</sup>.

The Gender Analysis Tool developed by UN Women and included in this document are to be completed and validated by experts and stakeholders to ensure that the project is designed to be gender responsive, taking into account the needs of vulnerable people in the community.

The analysis should determine what the key social and institutional issues are in relation to project components; identify the key stakeholder groups in this context and determine how relationships between stakeholder groups will affect or be affected by the project; and evaluate expected outcomes and actions proposed to achieve those outcomes.

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<sup>72</sup> The assessment should be consistent with guidance provided by the Adaptation Fund's Environmental and Social Policy: <http://www.adaptation-fund.org/wp-content/uploads/2015/09/Environmental-Social-Policy-approved-Nov2013.pdf> Accessed May 5, 2016

<sup>73</sup> Download the Adaptation Fund's template Project Application form: <http://bit.ly/1Nm7hWS>

### **Stakeholder consultations**

All draft documentation is to be made available to stakeholders in advance of the consultations, and final reports are to be provided to all attendees and people affected by the project.

Stakeholder consultations are an opportunity for additional data collection and validation of all the analysis and recommendations conducted by the consultants. Specifically, two community meetings will be held during the week of 19 – 26 June, with additional meetings for targeted vulnerable groups, during times and at locations most conducive to maximizing community participation, such as in the evening and at convenient locations within the communities. Consultations should be gender conscious, aiming for equal attendance and participation of women and men.

These stakeholder consultations will be organized by the Department of Environment and implementing partner agencies. The consultant's role is to, as request:

- Facilitate participatory selection and review of appropriate adaptation interventions under each component, utilizing the UN Women tool to facilitate gender responsive project design (see end of document)
- Identify community leaders and strategic partnership opportunities for the project implementation team, ensuring diverse representation of community interests
- Determine the level of interest in accessing concessional loans under Component 2 and ability to or capacity to take advantage of such opportunities, documenting needs for a tailored loan mechanism for vulnerable groups, such as female-headed households.
- Identify groups in the area that qualify for community grants and contract awards under Component 3 (in collaboration with the Gender Affairs Division and the Department of Environment)
- Assess the capacity of NGOs and community groups to meet project expectations for engagement

### **Environmental and Social (including Gender) Management Plan**

An environmental and social management plan shall be developed for risks identified during the assessment. The management plan shall identify those measures necessary to avoid, minimize, or mitigate the potential environmental and social risks, using as a starting point **Table 6. Project Risk Management Framework** in the project concept, developing areas identified into a plan and validating the output with stakeholders.

As part of the management plan, a community consultation framework for the four-year implementation period should be developed. The framework should include monitoring and evaluation arrangements, in consultation with key stakeholders, especially beneficiaries and affected people, which are to be conducted as part of the consultations.

Specific areas to be covered by the management plan and community consultation framework include:

- Reviews of the social and economic project indicators and benchmarks identified in the project concept document
- Efficient and cost-effective methods for measuring progress towards the project's objectives, including recommendations for transparent evaluation procedures and other measure to mitigate project risk
- Recommended responsibilities for monitoring, supervision, and evaluation
- Estimates for resource and budget requirements for monitoring and evaluation activities, and a description of other inputs (such as institutional strengthening and capacity building) as needed
- Recommendations for appropriate communications and dissemination strategies to reach targeted audiences

### **Outputs and timeline (May – August 2016)**

23 May: Hire Consultant(s)

25 May: Present project work plan to the Technical Advisory Committee (TAC)

13 June: First draft of Technical Feasibility Study is due (circulate for comments)

19 – 26 June: McKinnon's/Yorks/Gambles community consultations

27 June **Final Technical Feasibility Study**

4 July: First draft of Environmental and Social Assessment and Management Plan is due (circulate for comments)

11 July: **Final draft of Environmental and Social Assessment and Management Plan**

25 July: First draft of Full Project Document is due

1 August: **Full Project Document is submitted to the Adaptation Fund**

### **Consultant Team**

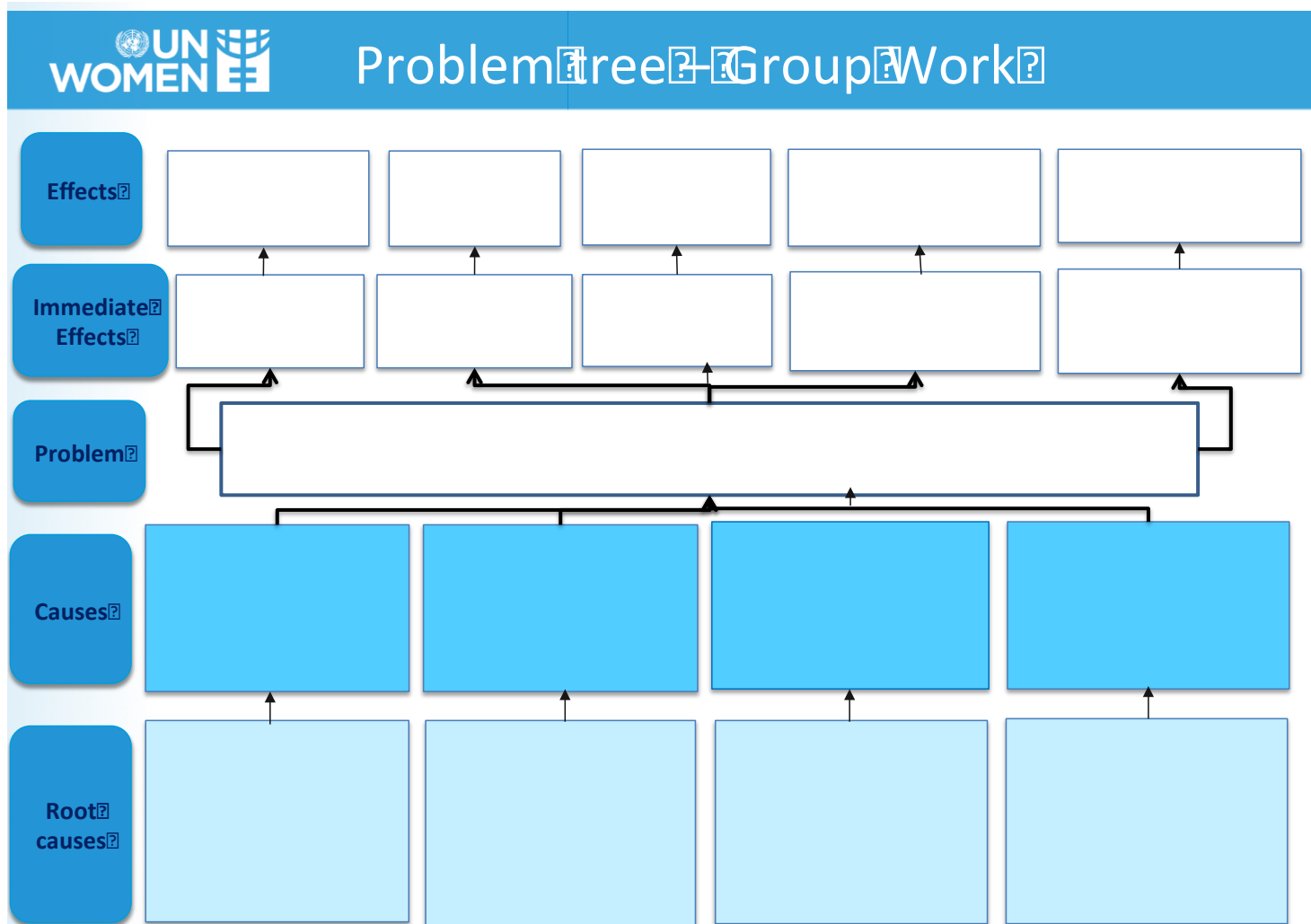
The consultant team should be multi-disciplinary, with demonstrated expertise in social sciences, participatory research, economic and financial expertise, gender training, and climate change adaptation. The team members should:

- Have at least 10 years of practical and applicable experience
- Have at least 5 years experience in participatory stakeholder engagement
- Demonstrate climate change adaptation knowledge and solutions
- Have previous work experience in small island developing states



**UN WOMEN template tools to facilitate gender responsive project design**

The following template tools have been distributed by UN Women as best practice guidelines, and these tools are to be utilized during ESS consultations.



UN WOMEN – Gender Analysis Tool (template)

|                                                                     | <b><u>Questions</u></b>                                                                                                                   | <b><u>Data/Information Collected</u></b>          |
|---------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|
| <b><u>What is the Context?</u></b><br><b><u>General Context</u></b> | <b><u>1. Demographic and socioeconomic data, disaggregated by sex and income</u></b>                                                      | <b><u>1. (Poverty, Food Security, Income)</u></b> |
|                                                                     | <b><u>2. % of households that are headed by women; average income</u></b>                                                                 | <b><u>2.</u></b>                                  |
|                                                                     | <b><u>3. What are the main sources of income for households in the vulnerable areas (disaggregated by sex)?</u></b>                       | <b><u>3.</u></b>                                  |
|                                                                     | <b><u>4. What are the uses/needs of women and men when it comes to water, farming and energy (or other project-relevant sectors)?</u></b> | <b><u>4.</u></b>                                  |
|                                                                     | <b><u>5. How do the current climate risks affect men and women?</u></b>                                                                   | <b><u>5.</u></b>                                  |
|                                                                     | <b><u>6. Are there any legal barriers to women in (the project-relevant sectors)?</u></b>                                                 | <b><u>6.</u></b>                                  |
|                                                                     | <b><u>7. Describe any community beliefs about the specific roles of women and men.</u></b>                                                | <b><u>7.</u></b>                                  |
| <b><u>Who has what?</u></b><br><b><u>Ownership and access</u></b>   | <b><u>1. Who owns the land and other product assets?</u></b>                                                                              | <b><u>1.</u></b>                                  |
|                                                                     | <b><u>2. Describe household energy access and sources.</u></b>                                                                            | <b><u>2.</u></b>                                  |
|                                                                     | <b><u>3. How much do households spend on water and energy?</u></b>                                                                        | <b><u>3.</u></b>                                  |
|                                                                     | <b><u>4. Do men and women have bank accounts and can they access finance to scale up their farming / business</u></b>                     | <b><u>4.</u></b>                                  |

|                                                                       |                                                                                                                                                              |           |
|-----------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|
|                                                                       | <u>activities?</u>                                                                                                                                           |           |
|                                                                       | <u>5. Do men and women benefit from extension services (or other project-relevant services)?</u>                                                             | <u>5.</u> |
|                                                                       | <u>6. How do men and women access information? Do they have access to different technologies?</u>                                                            | <u>6.</u> |
|                                                                       | <u>7. What are the levels of training / education?</u>                                                                                                       | <u>7.</u> |
| <b><u>Who does what?</u></b><br><u>Roles and responsibilities</u>     | <u>1. How are men and women connected to markets / how do they participate in the economy?</u>                                                               | <u>1.</u> |
|                                                                       | <u>2. What would be the implications of the proposed intervention, given primary tasks and responsibilities by gender?</u>                                   | <u>2.</u> |
|                                                                       | <u>3. Who is responsible for child/elderly care and household tasks?</u>                                                                                     | <u>3.</u> |
|                                                                       | <u>4. What would be the best times to hold trainings for women and men on the new systems/technologies or skills to be delivered through the project?</u>    | <u>4.</u> |
| <b><u>Who decides?</u></b><br><u>Participation in decision-making</u> | <u>1. Who are the community leaders? Are there any women leaders?</u>                                                                                        | <u>1.</u> |
|                                                                       | <u>2. Are there women's organizations that are active in the targeted area targeted project can partner with?</u>                                            | <u>2.</u> |
|                                                                       | <u>3. Do women and men participate (equally) in associations, management relevant to the project sector, and any other producer/user groups? Which ones?</u> | <u>3.</u> |
|                                                                       | <u>4. Who manages / makes decisions in</u>                                                                                                                   | <u>4.</u> |

|                                               |                                                                                                                                                                                                                                                                                    |           |
|-----------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|
|                                               | <u>the household, notably around how money and time are spent?</u>                                                                                                                                                                                                                 |           |
|                                               | <u>Will both women and men be able to equally participate in using and learning about the new interventions in the proposed project?</u>                                                                                                                                           | <u>5.</u> |
| <b><u>Who benefits?</u></b><br><u>Impacts</u> | <u>1. Will the services from the project interventions be freely available to men and women? Are there any risks/restrictions on movement (security or cultural)? Are there any discriminations/risks to certain community members in terms of accessing the project benefits?</u> | <u>1.</u> |
|                                               | <u>2. How will men and women benefit from the project interventions?</u>                                                                                                                                                                                                           | <u>2.</u> |
|                                               | <u>3. What will be the impact of the project interventions on women's workload and income?</u>                                                                                                                                                                                     | <u>3.</u> |
|                                               | <u>4. Are there specific project impacts or benefits for women?</u>                                                                                                                                                                                                                | <u>4.</u> |
|                                               | <u>5. Will the project help create a better balance between women's productive and household tasks (e.g. childcare, domestic work)?</u>                                                                                                                                            | <u>5.</u> |
|                                               | <u>6. Will the project contribute to strengthening women's participation in decision-making? How?</u>                                                                                                                                                                              | <u>6.</u> |

## **Annex 4. Draft Terms of Reference for the Environmental Impact Assessment (EIA)**

*This Terms of Reference is to be approved by the Technical Advisory Committee (TAC).*

### **TERMS OF REFERENCE**

#### **Environmental Impact Assessment**

**Project Name:** An integrated approach to physical adaptation and community resilience in Antigua and Barbuda's northwest McKinnon's watershed

**Contracting Authority:** Department of Environment, Antigua and Barbuda

**Project Duration:** 4 years

**Consultancy Duration:** 60 days

**Start date:** May 2017

#### **1. Project Description and Rationale**

1. Describe the reason or rationale for the project and its activities
2. State the relevance and conformity of the proposed designs to existing legislation, national sustainable development policies and strategies, with particular focus on sustainable natural resource utilization, physical development plans, climate change resilience best practices, and multilateral environmental agreement obligations
3. Assess alternatives to the project's approach
4. Consider all potential direct, indirect, transboundary, and cumulative impacts and risks that could result from the project
5. Identify for construction and maintenance phases of all aspects of the project, including management of vehicular and pedestrian access during implementation.

#### **2. Site Description**

The report should include a detailed site description with special emphasis on the existing terrestrial and wetland landscapes. The report should document the features of the site prior to implementation of the project activities

1. Description and illustrations of land topography to show surrounding slope elevation, hydraulic conductivity, and traditional access routes and uses.
2. Baseline data on environmental resources including soil quality and percolation rates, and water quality.

**3. Socio-Economic Impacts**

1. Describe the potential impacts on identified stakeholders, particularly regarding community residents in the area and potential impacts on the traditional and current uses of the area should also be assessed, building on the Environmental and Social Assessment and Management Plan statement conducted during the preparation phase of this project.
2. Describe how men and women may be diversely affected by the project, in addition to other minority or vulnerable groups

**4. Assessment and mitigation of the direct and indirect environmental and social impacts during construction and maintenance**

The EIA should give consideration to the cumulative impacts of future development in McKinnon’s watershed and the effects that this would have on the ecosystem and hydrology of the area.

**Impacts should be scaled based on severity - low, medium, and high; and presented in a tabular format. The following table maybe used as a guide:**

**Table1. Summary assessment and mitigation of environmental impacts**

| <u>Area of Impact</u>                    | <u>Brief Description</u> | <u>Risk Significance High/Medium/ Low</u> | <u>Mitigation Measures</u> |
|------------------------------------------|--------------------------|-------------------------------------------|----------------------------|
| <u>Hydrology and drainage</u>            |                          |                                           |                            |
| <u>Landscape &amp; Visual Impact</u>     |                          |                                           |                            |
| <u>Biodiversity and Ecosystem Impact</u> |                          |                                           |                            |
| <u>Historic and Cultural</u>             |                          |                                           |                            |
| <u>Access Routes</u>                     |                          |                                           |                            |
| <u>Socio-economic/ realty value</u>      |                          |                                           |                            |
| <u>Gender equity</u>                     |                          |                                           |                            |
| <u>Other</u>                             |                          |                                           |                            |

**Table 2. Summary of risks to climate change impacts and mitigation measures**

| <u>Area of Impact</u>         | <u>Brief Description</u> | <u>Risk Significance High/Medium/Low</u> | <u>Mitigation Measures</u> |
|-------------------------------|--------------------------|------------------------------------------|----------------------------|
| <u>Extreme rainfall event</u> |                          |                                          |                            |
| <u>Extreme drought</u>        |                          |                                          |                            |
| <u>Extreme atmospheric</u>    |                          |                                          |                            |

|                             |  |  |  |
|-----------------------------|--|--|--|
| <u>temperatures</u>         |  |  |  |
| <u>Hurricane force wind</u> |  |  |  |
| <u>Other</u>                |  |  |  |

The section should also consider the following:

1. Measures to avoid, minimize, or mitigate environmental and social risks of the proposed project
2. Gender-responsiveness of the project design
3. Measures to be adopted to ensure proper maintenance of the project interventions
4. Mitigation measures to reduce sediment loading into the marine environment
5. Mitigation of mosquito-breeding habitat using ecosystem-based solutions and design measures
6. Plans for storms and storm surges along with the overall drainage management
7. Measures to be adopted to maintain or enhance riparian vegetation, including species for vegetating waterway buffer areas.
8. Appropriate implementation time and place of measures must be outlined.

#### 5. Cost Benefit Analysis

The EIA should examine the potential life span of the project interventions and undertake an investment risk assessment/cost benefit analysis to determine the viability of the project implementation when compared to a business as usual scenario with increased climatic events. This should provide guidelines to sustain future investments to adaptation work in waterways and for drainage construction in urban areas.

#### 6. An Environmental and Social (including Gender) Monitoring Plan

A draft Environmental and Social Monitoring Plan must be developed to be carried out during the construction stage and a Management Plan/Strategy must be developed and implemented in accordance with Part VI Section 40 subsection 6 of the EMPA 2015 during the Operational phase. The Monitoring Plan which will detail the monitoring requirements for pre-, during- and 2 years post-implementation. This will include recommendations to ensure the documented implementation of mitigation measures; long-term minimization of negative impacts; and maximization of positive impacts. Preliminary costing of the Monitoring Plan implementation should be included, and indicators used for monitoring should be disaggregated by gender.

At a minimum the draft monitoring should include:

- a) An introduction outlining the need for a monitoring programme



- b) The activity being monitored, performance objective and the parameters chosen to effectively carry out the exercise
- c) The methodology to be employed for both the maintenance and monitoring of the intervention, and the frequency of monitoring
- d) Frequency of reporting to the Department of Environment and the Development Control Authority
- e) The sites being monitored. These should incorporate a control site where project interventions were not implemented
- f) Raw data to be collected and relevant tables and graphs to be used
- g) Identification of the entity, body, agency or authority with responsibility for ensuring that measures in the Environmental Monitoring Plan carried out.

## **7. Implementation**

- The report should provide recommendations for further mitigation strategies
- The report should provide objectives of the recommended measure and the main concerns which they are to address
- A schedule of implementation measures must be outlined in the report
- All map data should be provided in GIS format as an annex to the report, and in electronic format to the Department of Environment

## **8. Composition of the Research Team**

The team required to successfully complete this EIA is expected to include but not limited to the following professional skillsets:

- Social Scientist or Gender Specialist
- Socio-economist or Economic geographer
- Hydrologist, Surveyor, or Soil and water engineer

## **9. Appendices:**

The report should include the following appendices at a minimum.

- Glossary of Technical Terms
- Specific Technical Studies / Reports
- Data Tables
- Photographs, GIS files & Maps
- Report of stakeholder consultations



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Secretariat@Adaptation-Fund.org  
Fax: 202 522 3240/5

**RE: ENDORSEMENT FOR PROJECT PROPOSAL:**

**"AN INTEGRATED APPROACH TO PHYSICAL ADAPTATION AND COMMUNITY RESILIENCE IN  
ANTIGUA AND BARBUDA'S NORTHWEST MCKINNON'S WATERSHED"**

Regarding the captioned subject, the Department of Environment within the Ministry of Health and Environment, being the designated authority for the Adaptation Fund in Antigua and Barbuda, confirm that the project proposal, **An integrated approach to physical adaptation and community resilience in Antigua and Barbuda's northwest McKinnon's watershed**, is in accordance with our national priorities and climate adaptation agenda, in implementing activities to reduce adverse impacts of and risks posed by climate change in Antigua and Barbuda.

Accordingly, I wish to endorse the implementation of the above-captioned project, with

support from the Adaptation Fund. If approved, the project will be coordinated, implemented and executed by the National Implementing Entity, the Department of Environment, within the Ministry of Health and the Environment.

Sincerely,

A handwritten signature in blue ink, appearing to read "Diann Black-Layne". The signature is fluid and cursive, with the first name "Diann" being more prominent.

.....  
Ambassador Diann Black-Layne  
Director, Department of Environment



ADAPTATION FUND

## ADAPTATION FUND BOARD SECRETARIAT TECHNICAL REVIEW OF PROJECT/PROGRAMME PROPOSAL

PROJECT/PROGRAMME CATEGORY: Regular-sized Project Concept

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Country/Region: **Antigua and Barbuda**  
Project Title: **McKinnon's Pond Watershed Restoration and Resilience project\*\*\*\*\***  
AF Project ID: **ATG/NIE/Multi/2016/1**  
IE Project ID: Requested Financing from Adaptation Fund (US Dollars): **\$10,000,000**  
Reviewer and contact person: **Mikko Ollikainen** Co-reviewer(s): **Shyla Raghav, Christian Severin**  
IE Contact Person: **H.E. Amb. Diann Black-Layne, Ruleta Camacho Thomas, Ministry of Health and the Environment**

**\*\*\*\*\*New project title: *An integrated approach to physical adaptation and community resilience in Antigua and Barbuda's northwest McKinnon's watershed***

### RESPONSES FROM ANTIGUA AND BARBUDA

This version of the proposal has undergone significant revisions both in its written logic and in the project components and outputs. Revisions to the scope of the project have streamlined the proposal to address: climate resilient urban drainage (Component 1), revolving loans for adaptation (Component 2) and NGO/community capacity building and project sustainability (Component 3). The main activity that has been removed from this version of the proposal is the rehabilitation of McKinnon's pond, as the NDA team felt that its inclusion spread project resources too thin and risked compromising overall impact. Further, the logic is to address climate adaptation in the watershed, in preparation for downstream interventions in the salt pond, in an ecosystem-based, ridges-to-reef approach. The rehabilitation and resilience of McKinnon's pond remains a priority for the community and the country, and the NDA will continue to seek funding to support this larger-scale intervention. The three revised components were selected for AF funding under this project based on the rationale provided in the revised project document, specifically in the section *The Northwest Coast of Antigua – A Detailed Assessment* and in Part II section A.

**(i) To fully build the logic of the project, the proposal should strengthen the climate change rationale for the project, including by clearly indicating which climate change impacts are being addressed by the project components, possibly by combining the section titled “threats” and “barriers to action and adaptive capacity” linked with project components accordingly;**

- The climate change rationale for this project has been built out in much greater detail in the introductory sections including *Climate Variability, Projected Impacts, and Adaptive Capacity*. Results from the Hadley Centre PRECIS (Providing Regional Climates for Impact Studies) regional model for the Caribbean, which has been recognized by the IPCC in AR5 for improving downscaled climate data in the Caribbean, are included and compared to historical observations in A&B. This approach was taken to develop a context-specific understanding of the linkages between climate projections and vulnerability, and how the project seeks to promote resilience.

**(ii) The proponent should consider strengthening the community-driven and community-owned components of this project to complement government action, and more clearly outline how it will engage and involve women and other marginalized groups;**

- The revised project outputs include Component 3, which is dedicated to strengthening community-ownership
- Part III section A (implementation arrangements) includes more detail on the key partnerships that will ensure an approach oriented to empowering women and marginalized groups. Engagement and involvement will be developed during the PPG stage in partnership with these partners, who are qualified experts in social risk mitigation

**(iii) The proposal should provide additional detail on the intended scope and specifically, the adaptation benefit/review criteria, of the micro-loan program, which will be in part capitalized with Adaptation Fund funds;**

- The description for Component 2 (see Part II section A) clarifies how the small loans will be administered, the legal (Finance Administration Act) and administrative arrangements (Committee oversight) to operationalize the revolving funds under the SIRF Fund adaptation window, preliminary timelines for disbursing the funds (within 18 months), and lists key activities to take place during the project preparation phase.

**(iv) The adaptation benefit from changing practices in wastewater management is not directly clear. The proposal should clarify these activities, and consider addressing non-point sources of pollution;**

- The wastewater management practices have been removed from the project document
- Eligible activities under the Revolving Loans window will be assessed for their adaptation benefit/review criteria in close collaboration with adaptation experts, and these guidelines will be enshrined in regulations under the Finance Act to ensure consistency with adaptation targets.

| Comments                                                                             | ANTIGUA AND BARBUDA RESPONSES                                                                                                                                                           |
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| New CAR1: Addressed, but should include economic information to the extent possible. | Economic estimations have been included where possible in Section C, considering current data deficiencies and time constraints. This project will deliver more detailed information on |

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| <p><b>CAR1:</b> Please reformulate the section by comparing the proposed components with other options for achieving the intended outcomes.</p>                                                                                                                                                                                                                                                                                | <p>the incremental costs of adaptation and economic information for scenario planning, which is a current gap.</p>                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <p><b>New CR1:</b> Partially addressed. Revisions should combine the section titled “threats” and “barriers to action and adaptive capacity” to fully build the narrative of the project.</p> <p><b>CR1:</b> Please clarify how the project itself is designed to directly respond to climate change impacts, and how the proposed actions themselves are the most appropriate given the projected climate change impacts.</p> | <p>The “Project Background and Context” has been thoroughly revised, and the climate rationale for the project has been fully built out in the section “Climate Variability, Projected Impacts, and Adaptive Capacity.” Climate impacts and projections are summarized for temperature, rainfall (drought and flooding), and hurricanes, and as the problems are presented, a short narrative relating impacts to project components is included.</p>                                                                               |
| <p><b>New CR2:</b> Please consider strengthening the community-driven components of this project.</p> <p><b>CR2:</b> Please clarify who will manage the proposed eco-tourism sites, including the role of the private sector, and whether local communities will benefit and/or be involved.</p>                                                                                                                               | <p>The 3<sup>rd</sup> component has been reformulated to strengthen community-driven components of this project, and the social dimensions of adaptive capacity, through the two new outputs:</p> <ul style="list-style-type: none"> <li>• 3.1.1. 50% of the community-based buildings in the areas have benefitted from grants to improve the resilience of their buildings</li> <li>• 3.1.2. Three contracts are awarded to community groups/NGOs to maintain the adaptation interventions accomplished by the project</li> </ul> |
| <p><b>New CR3:</b> Mostly addressed, but more detail required at next stage.</p> <p><b>CR3:</b> Please clarify if project funds are intended for solely the development of the plan and/or for (which) parts of its implementation (output 2.1.1).</p>                                                                                                                                                                         | <p>Output 2.1.1. in the old version is now a sub-activity under the new Output 1.1.1. (Technical drawings taking into consideration past flooding events, AR5 projections, and designs that reduce the risks of vector-borne diseases) in this version. Therefore, the hazard mitigation strategy will be directly and immediately used to inform the technical drawings and physical adaptation work under Component 1.</p>                                                                                                        |
| <p><b>New CR4:</b> Not addressed, there is significant uncertainty around the expected range of projects this fund might support.</p>                                                                                                                                                                                                                                                                                          | <p>The description for Component 2 (see Part II section A) clarifies how the small loans will be administered, the legal (Finance Administration Act) and administrative arrangements (Committee oversight) to operationalize the revolving funds under the SIRF</p>                                                                                                                                                                                                                                                                |

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| <p><b>CR4:</b> Please clarify how the small-loans will be administered, particularly as it is a large portion of the AF project grant. Please elaborate on what additional information the proponent will include as part of the fully-developed proposal with respect to assessment of risk, demand for loans, detailed selection criteria for beneficiaries and activities, loan terms, etc.</p>                                                                                                                                                                                                                     | <p>Fund adaptation window, preliminary timelines for disbursing the funds (within 18 months), and lists key activities to take place during the project preparation phase.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <p><b>New CR5:</b> Mostly addressed, pending CR8.</p> <p><b>CR5:</b> Please clarify how the project will address the main drivers of mangrove habitat loss. Arguably, without addressing the drivers of degradation, the stressors will remain. Further, please clarify what types of activities would be undertaken in output 1.1.3.</p>                                                                                                                                                                                                                                                                              | <p>N/A</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <p><b>New CR6:</b> Mostly addressed, Further iterations of the proposal should flag areas that will be run, managed, or advised by the community group mentioned.</p> <p><b>CR6:</b> Without community ownership, human-induced degradation will likely continue. Please clarify the role of the local communities themselves in implementing and maintaining the plans and interventions described in components 1 and 3. This is particularly relevant because should the project aim to curb habitat loss driven by communities, it may render them more vulnerable due to lack of access to natural resources.</p> | <p>Three contracts will be awarded to community groups/NGOs under this project: Award a community contract to implement the communications plan and disseminate information nationally, regionally and internationally; Award community contract(s) to maintain the sustainable urban planning interventions, working with CBH; and Award a community contract for M&amp;E of adaptation measures including facilitating stakeholder engagement for M&amp;E. In addition, community groups will directly benefit from improved, climate-resilient community buildings. This suite of activities under Component 3 is designed to foster community ownership of the adaptation project.</p> |
| <p><b>New CR7:</b> Addressed</p> <p><b>CR7:</b> Please clarify why a cost-benefit analysis methodology was chosen and not cost-effectiveness, which can be more suitable for ecosystem-based measures with non-monetary benefits.</p>                                                                                                                                                                                                                                                                                                                                                                                  | <p>N/A</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |



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| <p><b>New CR8:</b> Partially addressed, it is not clear on the climate adaptation benefit from changing practices in wastewater management. The project proponent is encouraged to also include activities on non-point sources of pollution.</p> <p><i><b>CR8:</b> As described in the project document, one of the main sources of degradation of the McKinnon Pond and surrounding ecosystems is the influx of nutrients, along with the lack of outflow from the system. Please clarify how the project will address nutrient management, from non-point pollution as well as on point source pollution.</i></p> | <p>With this project now targeting McKinnon's watershed exclusively, the ecosystem-based wastewater management strategy is no longer included as an intervention under this project. Eligible activities under the Revolving Loans window will be assessed for their adaptation benefit/review criteria in close collaboration with adaptation experts, and these guidelines will be enshrined in regulations under the Finance Act to ensure consistency with adaptation targets.</p> |
| <p><b>New CR9:</b> Addressed</p> <p><b>CR9:</b> Please clarify how the project will intend to measure and monitor the economic benefits, as well as effectiveness, of the project from ecosystem-based measures, for which benefits and results may not be not immediate.</p>                                                                                                                                                                                                                                                                                                                                        | <p>N/A</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <p><b>New CR10:</b> Addressed sufficiently for this stage.</p> <p><i><b>CR10:</b> Please clarify if the project will impact any community or individual land rights, and if any people in the vicinity of the project (including watershed) are marginalized or particularly vulnerable people.</i></p>                                                                                                                                                                                                                                                                                                              | <p>N/A</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <p><b>New CR11:</b> Addressed sufficiently for this stage.</p> <p><i><b>CR11:</b> Please include within the narrative in this section how the proposed AF project will build on the relevant existing mechanisms, projects, or funding sources.</i></p>                                                                                                                                                                                                                                                                                                                                                              | <p>N/A</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |

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| <p><b>New CR12:</b> Addressed sufficiently for this stage.</p> <p><i>CR12: Please consider to include some more tangible knowledge management outputs, such as manuals, policy briefs, pamphlets, short videos, and an online portal to share all the deliverables with the local and national constituency regionally with the Caribbean countries and globally with other SIDS countries.</i></p>                                                                | <p>N/A</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <p><b>New CR13:</b> Partially addressed. The report provided was of a consultation with government agencies, academia, and consultants, not the communities themselves.</p> <p><i>CR13: Please expand briefly on how the consultations with communities, vulnerable groups (including women) and civil society organizations shaped the selection of project activities, as well as plans for consultations prior to the development of the full proposal.</i></p> | <p>Consultations on adaptation took place in the community from 2014 – 2015 and were facilitated by a specialized neutral party, CARIBSAVE, with the final output being the Local Area Vulnerability and Impact Assessment. This assessment report provides a roadmap for future adaptation projects to be implemented in the community, and was done with engaging techniques including participatory mapping and a random sampling door-to-door survey. This AF project is aligned with the community's #1 priority (drainage improvements via ecosystem-based adaptation). Further consultations with community members can take place once project funding is secured, in order to support community confidence in the Government's delivery on stakeholder priorities and to avoid burnout before projects are launched.</p> <p>This is described in Section H (The consultative process) in this revised document.</p> |
| <p><b>New CR14:</b> Partially addressed. The main provision is through manuals.</p> <p><i>CR14: Please clarify how the project will build long-term capacities and will maintain an incentive for communities and relevant stakeholders to continue ecosystem-based adaptation measures.</i></p>                                                                                                                                                                   | <p>Component 3 has been restructured to build long-term capacities for communities and relevant stakeholders to continue and scale-up the adaptation interventions (see response to CR2).</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <p><b>New CR15:</b> Addressed, however would also be useful to add if any additional budgetary support is</p>                                                                                                                                                                                                                                                                                                                                                      | <p>Component 1 will continue and be scaled-up after the life of be integrated into the implementation practices of the Development</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |

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| <p>anticipated.</p> <p><b>CR15:</b> <i>Please clarify which, if any, components will be continued by the relevant government agencies involved in the project beyond the lifetime of the project, if known.</i></p>                                                                                                   | <p>Control Authority (DCA), and any new guidelines for climate requirements will be inspired into the Building Code. Further, the climate-resilient technical engineering drawings for the waterway (under Output 1.1.1) will serve as a benchmark for adaptation in other waterways across the island. The final activity under Component 1 is to prepare management and monitoring plans, and train the implementers, to sustain and scale up the interventions. This is explained in the description for Component 1 (p. 23)</p> |
| <p><b>New CR16:</b> Addressed with AIRF business plan.</p> <p><b>CR16:</b> <i>Please provide additional detail to the extent possible on how the innovative finance component will sustain itself.</i></p>                                                                                                            | <p>N/A</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <p><b>New CR17:</b> Addressed.</p> <p><b>CR17:</b> Please clarify how the project will take the appropriate measures to avoid potential invasive species.</p>                                                                                                                                                         | <p>N/A</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <p><b>New CR18:</b> Addressed but will require further information at next stage.</p> <p><b>CR18:</b> <i>Please clarify how the project will target and support marginalized groups, including through the selection of intended beneficiaries of the project.</i></p>                                                | <p>N/A</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <p><b>CR19:</b> Addressed.</p> <p><b>CR19:</b> <i>Please provide an initial assessment of whether the project is expected to be Category A,B, or C in accordance with the AF's Environmental and Social Policy, and, accordingly, plans to develop an plan to manage potential risks. Please also outline the</i></p> | <p>N/A</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |

*process planned to undertake any necessary assessments before the full proposal stage (including plans for EIA under the “compliance with law” principle). Lastly, please try to list the risks defined relative to the 15 principles/categories of the AF ESP as it is unlikely that the project poses no potential risks.*