Strengthening financial protection and emergency response in the Commonwealth of Dominica

Context and Objectives

Dominica is exposed to overlapping natural hazards that represent a significant risk to its economic and social development, which have only accrued due to the impacts of climate change. On any given year, natural hazards can cause the loss of the equivalent of over 5% of Dominica’s Gross Domestic Product (GDP). In 2017, the country was devastated by Hurricane Maria, which caused total damages worth more than double the national GDP. The scale of these disruptions upends Dominica’s macroeconomic and fiscal sustainability, comprising its ability to plan for long-term development.

In the aftermath of Hurricane Maria, the government of Dominica established the Climate Resilience Executing Agency of Dominica (CREAD) to coordinate the government’s resilience and vulnerability reduction interventions across different sectors. CREAD has already worked with the World Bank on projects to improve data collection, rehabilitating and reinforcing road networks, and the construction of a new meteorological office.

Dominica is still looking to address gaps in its overall resilience strategy, especially with regards to its financial strategy. For this reason, this project focuses on supporting the government in strengthening financial protection measures and implementing select sector policy reforms in sectors vulnerable to climate and disaster impacts.

Main Activities

- **Supporting the government in identifying policy reforms for strengthening resilience,** including disaster risk financing, adaptive social protection, natural resource management, and agriculture.
  - Activities under this component provide technical support to the government in identifying a set of policy reforms that will support the Development Policy Credit with Catastrophe Deferred Drawdown Option (Cat-DDO) through working with thematic experts and government staff.

- **Supporting the government finalize reform actions**
  - Activities under this component focus on providing technical assistance to the government to draft, revise, and review priority action items which will enhance the country’s disaster risk management (DRM) and climate change adaptation regulatory and institutional framework.

- **Project Administration and Support**
  - Activities under this component finance all the administration and coordination activities related to the project, resulting in a robust and efficient implementation mechanism that will translate into timely implementation of the project as well as the achievement of all expected results while also ensuring quality of outputs.

Results

This project is in its inception phase.
Partnerships and Coordination

This Technical Assistance is implemented in collaboration with the Climate Resilience Executing Agency of Dominica.

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**Caribbean Regional Resilience Building**

**Facility Component**

- Adaptation Facility for Leveraging Investments in Resilience in the Caribbean

**Amount approved**

- EUR 81,000 / $97,000

**Duration**

- 11/2021 – 03/2023