

ADMINISTRATIVE ARRANGEMENT

This ADMINISTRATIVE ARRANGEMENT (the "Arrangement") between the **International Federation of Red Cross and Red Crescent Societies** ("**IFRC**"), as host agency responsible for the ProVention Consortium¹ Secretariat, and the **Inter-American Development Bank** (the "**IDB**" or the "Bank") is entered into as of April 4th, 2008.

- 1) IFRC, in its capacity as host agency for the ProVention Consortium, and the IDB have agreed to collaborate in the development of certain training and sensitization modules for Disaster Risk Management. To facilitate this collaboration, this Arrangement and its attachments set out the agreement between the IDB and IFRC.
- 2) The IDB and IFRC shall undertake on a collaborative and parallel basis the development and financing of certain training and sensitization modules for Disaster Risk Management as set out in this Arrangement and the Bank's technical cooperation project detailed in the attached TC/Funds Brief (the "Project").
- 3) The final course materials will be submitted to IFRC on a master CD, including for each training module (a) the participant manual to include all handouts, exercises and reference materials (b) the instructor's guide, in English and Spanish, and (c) all PowerPoint presentations in Spanish, except that the PowerPoint presentation for Module T1 will be in English and Spanish.
- 4) The IDB has received from IFRC a contribution in the amount of thirty thousand dollars of the United States of America (U.S.\$30,000.00) to co-finance the Project (the "Contribution").
- 5) The Bank will administer the Contribution in accordance with the provisions of this Arrangement and the Bank's applicable policies and procedures. The Bank will exercise the same care in the execution of its functions, as described in this Arrangement, as it exercises with respect to the administration and management of its own affairs and will have no further liability to IFRC in respect thereof.
- 6) The Contribution will be solely for the purposes indicated in the TC/Funds Brief. The Project will be implemented by the Bank for a duration not to exceed ten (10) months. Any material difference from the objectives or activities of the Project described in the TC/Funds Brief will require the prior written approval of IFRC.
- 7) The Contribution will be accounted for separately from the Bank's assets, and will be administered together with other contributions received by the Bank.

¹ The ProVention Consortium is a global coalition of international organizations, governments, the private sector, civil society organizations and academic institutions dedicated to increasing the safety of vulnerable communities, to reducing the impacts of disaster in developing countries, and to providing a forum for multi-stakeholder dialogue on disaster risk reduction and a framework for collective action.

- 8) As soon as possible upon completion of the Project, the IDB will return to IFRC any remaining uncommitted resources of the Contribution.
- 9) The Bank will administer and account for the Contribution in accordance with its financial regulations and practices. The Bank may freely exchange the Contribution into other currencies as may facilitate its administration and disbursement. The Bank will not be responsible for foreign exchange risk in the receipt, conversion or administration of Contribution funds. Further, the Bank may at its discretion invest and reinvest the resources of the Contribution pending their disbursement in connection with the Project.
- 10) Promptly following the completion of the Project, the Bank will submit to IFRC a final Project report. IFRC may request a copy of the non-audited financial statements for the Project, as such information is kept by the Bank in its ordinary course of business.
- 11) The Bank's procurement policies and procedures and the terms of this Arrangement will be applicable to the procurement of goods and services, as well as the contracting of consulting services carried out with the Contribution, as required by the different components of the Project.
- 12) The consulting services required for the Project will be selected by a selection committee (the "Selection Committee") that will include one representative from IFRC. IFRC will provide the IDB with a list of not less than two (2) qualified internationally recognized consultant firms that would be suitable for inclusion on the IDB's own list of similar firms, which shall constitute a bidders list of not less than three (3) consultant firms for the Project. The decisions of the Selection Committee will be carried out on a consensus basis. Any agreement with a consultant (the "Consultant") shall be approved by IFRC prior to their execution and effectiveness.
- 13) A single agreement shall be entered into between the IDB and the Consultant (the "Consultancy Agreement"). Such agreement shall stipulate that the Bank will have ownership of any final products delivered by the Consultant (the "Products") under this Arrangement. The Bank hereby authorizes IFRC to copy, publish, use or distribute the Products for educational or other non-commercial purposes only. This authorization is granted on a perpetual, royalty-free basis. The Bank accepts no responsibility for any adverse consequences that may arise in connection with the use of licensed Products.
- 14) The IDB will be responsible for making payments to the Consultant from the resources of the Contribution. In the event such resources are insufficient to satisfy all obligations under the Consultancy Agreement, the IDB agrees to pay the costs associated with such obligations, subject to the budget included in the Project Document.

- 15) IFRC accepts that: (a) the resources of the Contribution will be completely untied; and (b) the consultancy services financed with the Contribution may be provided and executed by companies, specialized institutions or individuals from any Bank member country.
- 16) IFRC will not be responsible for the activities of any person or third-party engaged by the Bank as a result of this Arrangement, nor will they be liable for any costs incurred by the Bank in terminating the engagement of any such person.
- 17) In the event that the services provided by the Consultant are not delivered on a timely and/or satisfactory basis, or the IDB is unable to implement the Project as contemplated in the Project Document, the IDB shall not be liable for any damages that may result thereof.
- 18) To assist in the defrayment of administrative costs in relation to the Contribution, the Bank will charge and retain any investment income generated by the Contribution pending its disbursement for the Project.
- 19) IFRC further acknowledges that the IDB's commitment to use the Contribution as contemplated herein shall be subject to the IDB's formalization of all internal approvals necessary for the Project.
- 20) The offices responsible for coordination of all matters and receiving any notice or request in writing in connection with this Arrangement or the Project will be the following:

a. For the IDB:


Ms. Marguerite S. Berger
Chief, Grants and Co-Financing Management Unit
Inter-American Development Bank
1300 New York Ave., NW
Washington, D.C. 20577
U.S.A.

b. For IFRC:

Ms. Margaret Arnold
Head, ProVentum Consortium Secretariat
International Federation of Red Cross and Red Crescent Societies
P.O. Box 372, 1211
Geneva 19
Switzerland


- 21) Subject to its policies and procedures with respect to the disclosure of information, the IDB may make this Arrangement publicly available.
- 22) Nothing in this Arrangement may be construed as creating an agency relationship between IFRC or the IDB.
- 23) Any disputes that may arise from or relate to this Arrangement shall be settled amicably by the parties through discussion and negotiation at the appropriate levels, whether the parties' technical staff responsible for the Project or their senior management.
- 24) This Arrangement supersedes the "Memorandum of Understanding" dated April 4th 2008, signed amongst the parties hereto.
- 25) Nothing in this Arrangement is intended to be, nor should be construed as, a waiver of the privileges and immunities of the Parties, which privileges and immunities are specifically reserved.

For and on behalf of the
Inter-American Development Bank



Marguerite S. Berger
Chief
Grants and Co-financing Management Unit
Vice Presidency for Countries

For and on behalf of the
**The International Federation of Red
Cross and Red Crescent Societies**

 18 Aug 2008

Margaret Arnold
Head, ProVention Consortium Secretariat
International Federation
of Red Cross and Red Crescent Societies

**Inter-American Development Bank
Technical Cooperation Program (Trust Fund Financing)**

TC/FUNDS BRIEF

TC N°: RG-X1035

I. GENERAL INFORMATION

Name of the T.C. Project	Disaster Risk Management Training for IDB Staff - Phase 1		
Name of the Trust Fund:	Grant Co financing contributions administrated by the Bank (COFAB), Special Budget Initiative (INE/300) and Ordinary Capital (KNL)		
Project team:	Team Leader: Cassandra Rogers (INE/RND), Members: Flavio Bazán (INE/RND); Javier Game (KNL/LRN); Tsuneki Hori (INE/RND) and Heidi Fishpaw (INE/RND), project assistant.		
Beneficiary country:	Regional Support		
Beneficiary agency:	Bank staff and IDB Borrowing member countries.		
Estimated Financing:	IDB (COFAB):	US\$	30,000
	IDB (INE/300):	US\$	27,000
	IDB (KNL/LRN):	US\$	25,000
	Total:	US\$	82,000
Execution and Disbursement Deadlines:	Execution period: 7 months		
	Disbursement period: 10 months		

II. BACKGROUND

- 2.1 In order to promote sustained disaster risk reduction in its borrowing member countries, as well as to safeguard its development assistance, the Inter-American Development Bank (IDB) is transforming its development interventions in disaster risk management (DRM) from one that is largely reactive, to that which emphasizes pre-disaster assistance. Within the framework of its 2005-2008 Action Plan for Improving Disaster Risk Management, the Bank is implementing a set of priority actions in three critical areas: viz. country programming and portfolio management; Bank policy, procedures and financial instruments; and organizational strengthening in DRM. In this regard the Bank approved a new DRM Policy in 2007. The Policy seeks to strengthen Bank effectiveness to support systematic DRM among its borrowers, through pre-disaster risk identification and risk reduction; and to provide post-disaster assistance without rebuilding vulnerability.
- 2.2 As a component of organizational strengthening in DRM, over the period 2006 to 2008, the Bank has increased its human resource capacity in DRM, established a Learning Network in DRM, approved Policy Guidelines for incorporating DRM in the three central areas of Bank Operations and prepared a training plan for enhancing staff capacity in DRM.

- 2.3 During 2008, the Bank's Rural Development, Environment and Disaster Risk Management Division (RND) will implement the DRM training plan in collaboration with the Knowledge and Learning Department (KNL). It is anticipated that once completed, the Bank will be able to implement its agenda for proactive DRM more effectively, to the benefit of borrowing member countries.
- 2.4 The proposed training will be implemented in two phases: Phase 1 (Development of training materials) and Phase 2 (Delivery of the training). This operation relates to Phase 1 only.

III. PROGRAM OBJECTIVE AND DESCRIPTION

- 3.1 The main objective of the proposed training is to strengthen Bank capacity for DRM, in order to improve the effectiveness of the Bank's development assistance in the context of disaster risk.
- 3.2 The specific objectives of the TC is to develop a series of five (5) course modules designed to:
 - (a) Enhance knowledge and skills among technical staff in the application of Bank guidelines for the routine incorporation of DRM in (a) country programming and country strategy preparation, (b) project preparation and execution; and (c) post-disaster response; and
 - (b) Increase awareness among general Bank staff of the Bank's DRM agenda in the context of its risk management and development effectiveness framework.
- 3.3 Three (3) training course modules and two (2) sensitization modules will be developed as follows:
 - (a) **Training Module T1: Identifying Risk to Country Programming and Strategies due to Natural Hazards: One (1)-day Workshop.**

This module is designed to increase the understanding of country programming teams (e.g. country economists, country coordinators, sector specialists and DRM focal points) in the approaches and techniques for integrating DRM in programming and the preparation of country strategy documents, particularly for high-risk countries. It will include an understanding of the basics of disaster risk faced by individual countries, through risk indicators and hazard assessments.
 - (b) **Training Module T2: Managing Disaster Risk to the Effectiveness of Bank Projects: Preparation and Execution: Module T2-1 – One (1) Day; Module T2-2 (Two days with field trip included).**

This course targets sector specialists and country counterparts. It is designed to provide participants with an understanding of the techniques and tools for integrating disaster risk into project preparation and execution, to the effectiveness of Bank-financed projects, with an emphasis on identifying high-risk projects; and incorporating appropriate mitigation measures in project design, implementation, monitoring and evaluation.

- (c) **Training Module T3: Incorporating DRM into Development Programs and Projects: for the DRM Focal Point Network; Two and a Half (2.5) Days (including field trip).**

This course is designed to enhance the knowledge and skills of DRM Focal Points at Headquarters and in borrowing member countries in the Policy Guidelines for the integration of disaster risk into country programming and country strategy documents, project preparation and execution; and loan reformulation. It is envisaged that through this training, a network of DRM champions will be mobilized to support the implementation of the Bank's DRM Policy and Action Plan across the organization.

- (d) **Sensitisation Module S1: Natural Hazards, Vulnerability and Disaster Risk Management in Latin America and the Caribbean; Two-hour Seminar.**

This module is designed to increase general awareness among all levels of Bank staff of the significance of DRM in the context of the Bank's risk management and development effectiveness framework. It is intended to be a framework presentation of the Bank's work in DRM, in preparation for the training modules.

- (e) **Sensitisation Module S2: Improving Development Effectiveness through Proactive Disaster Risk Management: for Division Chiefs and Bank Managers; 40 minute Presentation.**

This module targets Division Chiefs and Bank Managers. It is intended to be a signature presentation promoting the Bank's proactive DRM agenda, highlighting key issues and implementation challenges for Latin America and the Caribbean as well as the Bank.

IV. COST AND FINANCING

- 4.1 The cost of the TC will be \$82,000, to be financed with resources derived from a contribution of US\$30,000 from ProVention Consortium; US\$27,000 from administrative funds applied to the Special Budget Initiative (INE/300); and US\$25,000 from administrative funds assigned to KNL/LRN.
- 4.2 The ProVention Consortium is a global coalition of international organizations, governments, the private sector, civil society organizations and academic institutions established by the World Bank. The Consortium is dedicated to increasing the safety of vulnerable communities in developing countries, and provides a forum for multi-stakeholder dialogue on disaster risk reduction and a framework for collective action. The Bank and ProVention Consortium have signed an Administrative Arrangement for the Bank's administration of the contribution from ProVention in the amount US\$30,000. The Special Budget Initiative (INE/300) finances the implementation of the Bank's Action Plan for Improving Disaster Risk Management. Activities in the Project are consistent with such Action Plan.

TYPE OF EXPENSE	US\$
Honorarium	82,000
<i>TOTAL</i>	\$82,000

V. EXECUTING AGENCY AND EXECUTION STRUCTURE¹

- 5.1 The Bank will execute the project. The Division of Environment, Rural Development and Disaster Risk Management will be responsible for the technical supervision of the TC. The Knowledge and Learning Department will be responsible for operational coordination of the project.
- 5.2 The project will be executed within seven (7) calendar months, and disbursed within nine (9) calendar months.
- 5.3 The contracting for the proposed project will be conducted in accordance with the “Policies for the Selection and contracting of consultants financed by the IDB” (GN-2350-7) of July 2006. Responsibility for the selection, contracting and supervision of consulting services lies with the IDB. The ProVention Consortium will form part of the technical review committee for the project.

VI. RESPONSIBILITY IN THE BANK

- 6.1 **Technical Responsibility:** The Environment, Rural Development and Disaster Risk Management Division - Infrastructure and Environment Sector (INE/RND) will have the Technical Responsibility for this operation.
- 6.2 **Responsibility for Disbursements:** INE is responsible for disbursements.

VII. ENVIRONMENTAL AND SOCIAL STRATEGY

- 7.1 Since the nature of this technical cooperation that focuses mainly on technical assistance and consultancy services in the disaster risk management, no environmental or social impact is expected from the execution of the TC. Following indications provided by the Implementing Guidelines for the Environment and Safeguards Policy (GN-2208-25), this operation is under category “C” and no Environmental Assessment process beyond this categorization is needed.

¹ Funding from all three sources will be pooled to finance the total costs of the training material described in chapter III.

VIII. RECOMMENDATION

- 8.1 Cassandra Rogers, designated team leader for the project of the reference, recommends the approval of this operation and the use of resources from the COFAB, INE/300 and KNL/LRN totaling up to US\$82,000 in order to finance the corresponding project.

IX. APPROVAL

Clearance: _____

Marguerite S. Berger
Chief
Grants and Cofinancing Management Unit,
VPC/GCM

Date

Approved by: _____

Héctor Malarín
Chief
Environment, Rural Development and Disaster Risk
Management Division
INE/RND

Date

Memorandum of Understanding

between

**The International Federation of Red Cross and Red Crescent Societies (the "IFRC")
(as host agency of The ProVention Consortium)**

and

The Inter-American Development Bank

on

**Cooperation in the Development and Delivery of Training and Sensitization
Modules for Disaster Risk Management**

Whereas:

A. The ProVention Consortium ("ProVention") is a global coalition of international organizations, governments, the private sector, civil society organizations and academic institutions dedicated to increasing the safety of vulnerable communities, to reducing the impacts of disasters in developing countries, and to providing a forum for multi-stakeholder dialogue on disaster risk reduction and a framework for collective action; and the International Federation of Red Cross and Red Crescent Societies (the "IFRC") acts as host agency responsible for the ProVention Consortium Secretariat and IFRC-administered ProVention project funds;

B. The Inter-American Development Bank (the "IDB") is a partner in the ProVention Consortium;

C. ProVention and the IDB have agreed to collaborate in the development of certain training and sensitization modules for Disaster Risk Management; and

D. To facilitate implementing the above-mentioned collaboration, this Memorandum of Understanding (hereinafter referred to as "MoU") sets out the understanding between the IFRC, in its hosting capacity for ProVention, and the IDB. The IFRC and the IDB are collectively referred to as the "Parties" and individually, as a "Party").

Now therefore, the Parties hereto agree as follows:

Implementation of the Collaboration in the Selection of a Consultant

1. The IDB and ProVention shall undertake jointly the development and implementation of certain training and sensitization modules for Disaster Risk Management as described herein (the "Training") and finance said Training on a parallel basis as follows: A) ProVention shall contribute not less than \$30,000 in cash, to be transferred to IDB before April 30, 2008, and the IDB shall contribute directly an amount not less than \$50,000 in cash, before April 30, 2008, such amounts to finance the development of the training modules, including but not limited to the identification, selection, retention, and compensation of a consultant firm or firms (a "Consultant") to develop the training materials; and B) for purposes of the delivery of the Training, ProVention shall contribute not more than an additional \$20,000 in any combination of cash, services or in-kind contributions before July 31, 2008.

2. ProVention, before December 31, 2007, shall provide to the IDB a list of not less than 2 qualified, internationally recognized consultant firms that would be suitable for inclusion on the IDB's own list of similar firms, which lists together shall constitute a Bidders List of not less than 3 consultant firms for consideration to develop and deliver the Training.

3. In accordance with its own corporate procurement policies and procedures, the IDB will engage and contract with a Consultant from the Bidders List to develop and deliver the Training; *provided, however*, that the Consultant will be selected by a Selection Committee that will include 1 representatives of ProVention, and *provided, further*, that (a) decisions taken by the Selection Committee will be carried out on a consensus basis and (b) any contracts or agreements entered into with a Consultant shall be approved by ProVention prior to their execution and effectiveness .

4. A single Consulting Services Agreement shall be entered into between the IDB and the Consultant. The IDB will be responsible for making payments to the Consultant from the contributions referred to in paragraph 1 of this MoU. In the event that such contributions are insufficient to satisfy all obligations under the Consulting Services Agreement, the IDB agrees to pay the costs associated with such obligations.

Description of the Contracted Training

5. It is contemplated by the IDB and ProVention that, not later than September 30, 2008, the IDB shall have received from the Consultant the Training in the form described below, satisfactory in all respects to each of the IDB and ProVention.

6. The Training shall be in a form substantially consistent with the following:

A series of five (5) training and sensitization course modules designed to:

- a) Enhance knowledge and skills among technical staff in the application of IDB guidelines for the routine incorporation of Disaster Risk Management in (a) country programming and country strategy preparation, (b) project preparation and execution; and (c) post-disaster response, through emergency financing,

rehabilitation and reconstruction programs and reformulation of activity IDB loans; and

- b) Increase awareness among all levels of IDB staff of the IDB's Disaster Risk Management agenda and of its appropriate significance in the context of the IDB's risk management and development effectiveness framework.

The final course materials will be submitted on a master CD, and will include, for each training module (a) the participant manual to include all handouts, exercises and reference materials (b) the instructor's guide, in English and Spanish, and (c) all PowerPoint presentations.

7. The IDB shall endeavor to implement the Training in the following manner: Not later than September 30, 2008, the IDB shall host one training course for IDB staff and not more than 8 ProVention partner organization members. The situs for the hosted Training shall be determined by the IDB.

8. Notwithstanding paragraphs 5-7 above, if for any reason (A) such Training is either (a) not timely delivered by the Consultant, or (b) not satisfactorily delivered by the Consultant, or (B) the IDB is unable to implement the Training as contemplated therein, the Parties agree that the IDB shall forever be held harmless for any and all damages that may result therefrom.

9. The Consulting Services Agreement shall stipulate, and each of the IDB and ProVention acknowledge and agree that the Training obtained as a result of the collaboration will be jointly owned by the IDB and ProVention and in all its uses it will be cited as a joint product. Each of the IDB and ProVention shall be entitled to use the Training and to incorporate the information therein in its own research, papers, publications and other documents, and to develop further training based upon the Training.

10. No Party shall allow use of the Training, or contract for the Training to be used, for commercial purposes.

Dispute Resolution

11. In the event of any dispute between the Parties arising out of or in connection with this MoU, such dispute which cannot otherwise be amicably settled by the technical staff of the Parties involved in the development and implementation of the Training shall be decided mutually by senior management of the Parties at a level appropriate to the nature of the dispute.

Contacts

12. All correspondence relating to the implementation of this MoU shall be addressed to the following:

For the International Federation of Red Cross and Red Crescent Societies:

C/o Head, ProVention Consortium Secretariat
International Federation of Red Cross and Red Crescent Societies
P.O. Box 372, 1211 Geneva 19, Switzerland

Attention: Margaret Arnold

For the Inter-American Development Bank:

Inter-American Development Bank
1300 New York Avenue, N.W.
Washington, D.C., 20577
United States of America

Attention: _____

13. This MoU may be made publicly available subject to the policies of disclosure of information of the respective Parties.

14. Nothing in this MoU shall be construed as creating a joint venture, an agency relationship or a legal partnership between the Parties. Nothing in this MoU is intended to be, nor should be construed as, a waiver of the privileges and immunities of either Party, which privileges and immunities are specifically reserved.

IN WITNESS WHEREOF, the Parties, each acting through its authorized representative, have signed this MoU, in two (2) equally authentic copies on 4/4/08, 2008.

For and on behalf of the
Inter-American Development Bank

For and on behalf of
The International Federation of Red Cross
and Red Crescent Societies

Marilyn A. Hickson
Name

Margaret Arnold
Name

CHIEF, CORPORATE PROCUREMENT
Title + CONTRACTS SECTION

HEAD, PREVENTION CONSORTIUM
Title

4/4/08
Date

4/8/08
Date

Washington, DC
Place

@ Geneva, Switzerland
Place

Acknowledged and Accepted:

For and on behalf of the
ProVention Consortium

Margaret Arnold
Name

HEAD, PREVENTION CONSORTIUM SECRETARIAT
Title

4/8/08
Date

Geneva, Switzerland
Place