

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

BOLIVIA

DISASTER RISK MANAGEMENT PROGRAM I

(BO-L1104)

LOAN PROPOSAL

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ELECTRONIC LINKS	
REQUIRED	
1. Policy Letter	http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=39660908
2. Means of verification matrix	http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=39547150
3. Results matrix	http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=39547162
OPTIONAL	
1. Monitoring and evaluation plan	http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=39559610
2. Economic analysis of the program	http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=39551183
3. Safeguards identification form	http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=39331883
4. Report on the Index of Governance and Public Policy in Disaster Risk Management (iGOPP) in Bolivia. IDB 2014	http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=39559828
5. Regional iGOPP report. IDB 2014	http://publications.iadb.org/bitstream/handle/11319/6738/Informe-iGOPP-Regional.pdf?sequence=1
6. iGOPP (methodology). Main technical document. IDB 2014	http://publications.iadb.org/handle/11319/6717?scope=123456789/11&thumbnail=true&rpp=5&page=2&group_by=none&etal=0
7. Disaster risk profile for Bolivia. IDB 2014	http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=39334567
8. Assessment of damages and losses caused by climate events in 2013-2014. Ministry of Development Planning 2014	http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=39545857
9. Report 1 on Bolivia's disaster risk profile for flooding and landslides. 2014	http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=39545881
10. Law 602 on Disaster Risk Management. 2014	http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=39334568
11. Special report on risk management of extreme phenomena and disasters to promote adaptation to climate change	http://ipcc-wg2.gov/SREX/images/uploads/SREX_SPM_Spanish.pdf
12. Disaster risk and risk management indicators for Bolivia. IDB 2014	http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=39334565

ABBREVIATIONS

ACC	Adaptation to climate change
APMT	Autoridad Plurinacional de la Madre Tierra [Madre Tierra Plurinational Authority]
CONARADE	Consejo Nacional de Reducción de Riesgos y Atención de Emergencias [National Risk Reduction and Emergency Response Council]
DRM	Disaster risk management
ETAs	Entidades Territoriales Autónomas [autonomous subnational governments]
FORADE	Fondo para la Reducción de Riesgos y Atención de Desastres [Risk Reduction and Disaster Response Fund]
GDP	Gross domestic product
iGOPP	Index of Governance and Public Policy in Disaster Risk Management
IPCC	Intergovernmental Panel on Climate Change
MMAyA	Ministry of Environment and Water
MPD	Ministry of Development Planning
PBP	Programmatic policy-based loan
SISRADE	Sistema Nacional de Reducción de Riesgos y Atención de Desastres y Emergencias [National Risk Reduction and Disaster and Emergency Response System]
SPIE	Sistema de Planificación Integral del Estado [comprehensive planning system of the State]
VIPFE	Office of the Deputy Minister for Public Investment and External Financing

PROJECT SUMMARY

BOLIVIA DISASTER RISK MANAGEMENT PROGRAM I (BO-L1104)

Financial Terms and Conditions					
Borrower: Plurinational State of Bolivia				Ordinary Capital	FSO
			Amortization period:	30 years	40 years
Executing agency: Ministry of Development Planning			Grace period:	6 years	40 years
			Disbursement period:	12 months	12 months
Source (IDB)	Amount (US\$)	%	Credit fee:	*	N/A
IDB (Ordinary Capital)	114,024,000	80	Interest rate:	Single Currency Facility-fixed**	0.25%
IDB (Fund for Special Operations - FSO)	28,506,000	20	Inspection and supervision fee:	*	N/A
Total	142,530,000	100	Currency:	US\$	US\$
Project at a Glance					
Objective and description: To improve the country's disaster risk management governance and financial capacity by strengthening and modernizing the regulatory, institutional, and budgetary public policy framework for comprehensive disaster risk management through a series of two programmatic policy-based loans, of which this is the first.					
Special contractual conditions: The single disbursement of the loan proceeds will be subject to the borrower's fulfilment of the conditions appearing in Annex II (Policy Matrix) to this document, in addition to others established in the loan contract.					
Exceptions to Bank policies: None					
Project qualifies as: SEQ [] PTI [] Sector [] Geographic [] Headcount []					

* The credit fee and inspection and supervision fee will be established periodically by the Board of Executive Directors as part of its review of the Bank's lending charges, in accordance with the applicable policies.

** The borrower will pay interest on the outstanding balances of the Ordinary Capital portion of the loan at a LIBOR-based rate. Once the outstanding balance reaches 25% of the net amount approved or US\$3 million, whichever is greater, the rate will be set for this balance.

I. DESCRIPTION AND RESULTS MONITORING

A. Background, problems addressed, and rationale

1. Introduction

- 1.1 The proposed program is the first operation in a series of two programmatic policy-based loans (PBPs) aimed at supporting the Bolivian government in implementing a process of legal and institutional reforms intended to improve the country's governance and financial capacity for disaster risk management (DRM), by strengthening and modernizing the regulatory, institutional, and budgetary public policy framework for DRM, in line with [Law 602 on Disaster Risk Management](#), passed in November 2014. This operation proposes financing of up to US\$142.53 million from the Bank's Ordinary Capital and the Fund for Special Operations, in a single disbursement planned for 2015, once the policy reform conditions agreed upon in the attached Policy Matrix have been fulfilled. This programmatic series represents a core element in the Bank's agenda for promoting DRM in the country and is complemented with technical studies on risks financed through technical-cooperation projects,¹ and an operation financed by the World Bank as part of the regulatory, institutional, and budgetary reform in DRM promoted by the Bolivian government. That operation contributed to passage of Law 602, whose enabling regulations are expected to be produced under this first PBP and turn out to be key to crystalizing several quality attributes that a modern regulatory, institutional, and budgetary framework in DRM should have and that were not sufficiently developed in the law.

2. Macroeconomic context

- 1.2 Bolivia's economy has performed well, allowing it to reduce poverty levels. Growth averaged 5% annually between 2009 and 2014. The main source of growth has been capital accumulation, mainly public investment, which rose from US\$629.2 million to US\$4.519 billion between 2005 and 2014. This growth also led to an increase in household consumption. The favorable terms of trade over this period generated public revenue that, in addition to the aforementioned increase in public investment, made it possible for the nonfinancial public sector to obtain fiscal surpluses between 2006 and 2013. In 2014, the fiscal deficit was 3.4% of GDP. Total public debt fell from 40.4% of GDP in 2007 to 31.6% of GDP in 2014. The favorable terms of trade also enabled the external sector to post a surplus and generated a large increase in international reserves. The latter grew from US\$2.205 billion to US\$15.123 billion between 2005 and 2014. The exchange rate has not changed since November 2011 and inflationary pressure was contained by the Central Bank of Bolivia. In 2014, the inflation rate was 5.2%. As a result of the good macroeconomic performance and the public policies applied, moderate poverty was reduced from 60.6% to 45% and extreme poverty from 38.2% to 20.9% between 2005 and 2011. In the coming years the external context is expected

¹ ATN/JF-9349-RS, ATN/MD-13090-RG, ATN/MD-14209-RG, ATN/MD-14432-RG, ATN/MD-13414-RG, and ATN/OC-14904-BO.

to be less favorable due to the drop in oil prices, which will lead to lower oil revenues and slower economic growth. However, Bolivia will continue to be one of the most dynamic countries in the region, with growth predictions for 2015 ranging from 3.5% to 5%. On the fiscal front, apart from the borrowing to which the government has access, the public sector has net deposits in the Central Bank worth US\$4.696 billion (13.5% of GDP) that will cushion the temporary drop in oil prices. This first operation for US\$142.53 million is equivalent to about 19.4% of the country's financing requirements from multilateral sources in 2015. In addition to lowering fiscal financing requirements, this programmatic series will help boost the State's financial capacity through a reduction in the need for resources and through the savings obtained with the use of a more efficient mix of hedging instruments to address an emergency caused by a natural disaster, and the subsequent rehabilitation and reconstruction.

3. Diagnostic assessment of the problem

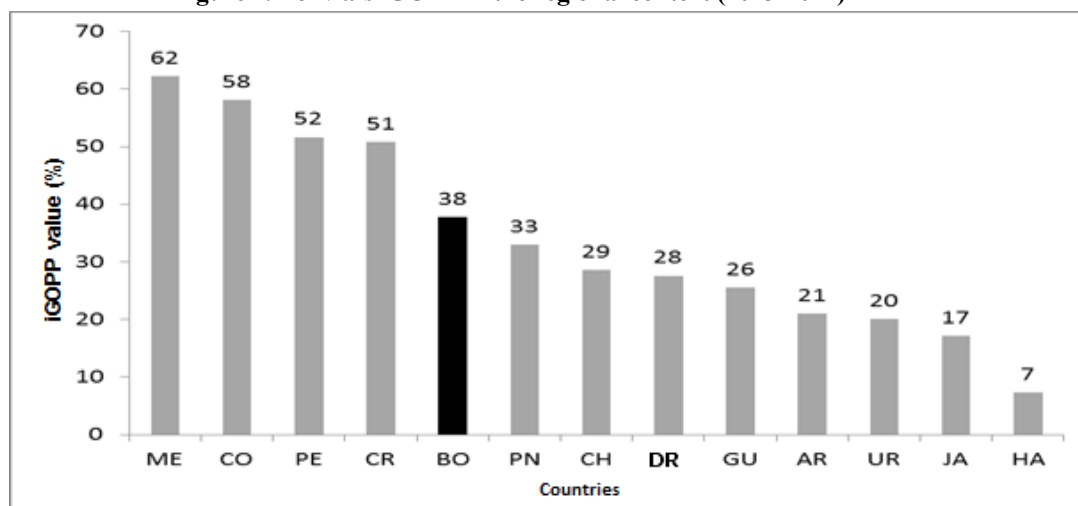
- 1.3 Bolivia is one of the countries most heavily affected by natural disasters in the Andes region. In the period 1970-2012, Bolivia was hit by 4,808 disasters ([IDB 2014](#)) that caused 2,357 deaths and affected over 2 million people. The El Niño episodes in 1983-84 and 1997-98 stand out, with estimated losses equivalent to 15.3% and 6.3% of GDP, respectively. The 2007-08 La Niña caused losses amounting to 5.1% of GDP. More recently, the 2013-2014 floods affected more than 400,000 people, with the damage estimated to be equivalent to 1.3% of GDP ([Bolivian government 2015](#)). Apart from the impact of these economic losses on the most vulnerable population groups, the government is forced to redirect funds from public investments to respond to the emergencies (see [Economic Evaluation](#)). This widens the gap in access to infrastructure between the high- and low-income population, limiting access to basic services, creating additional bottlenecks in markets that depend on that infrastructure, and increasing transaction costs. The intensive change in land use, particularly related to rapid urban growth, the building of infrastructure in risk areas, and the environmental degradation of watersheds contribute to the heightened physical exposure and vulnerability of the poorest members of the population, who often live in informal settlements located in areas exposed to natural disasters such as landslides and flooding.
- 1.4 According to the [Disaster Risk Profile for Bolivia](#), the country could lose more than US\$2.485 billion, equivalent to 3.1% of the exposed value of its infrastructure, in a low probability event with high consequences (earthquake). The study's findings are considered conservative today because, on the one hand, it is based on 2008 data and there has been an increase in exposed value since then as a result of the country's significant economic growth in recent years and, on the other, because it does not consider the potential impact of other, more recurrent natural phenomena in Bolivia, such as floods and landslides.² According to the [Bank's Disaster Risk](#)

² A probabilistic study of the risk of floods and landslides is currently under way, financed through technical-cooperation operation RG-T2174, and will be ready by the end of 2015.

[and Risk Management Indicators System](#) and the economic evaluation performed for this operation (paragraph 1.25), the public sector would have the financial capacity to cover such losses. However, because it does not have an adequate financial strategy to diversify the sources of funds or for those sources to facilitate rapid access to resources in emergency situations, the country would have to divert funds from development programs to cover losses or obtain financing after the event. This would delay effective assistance for the affected population, resumption of basic services, and reactivation of economic activity.

- 1.5 According to the Bank's [Indicators System](#), the governance conditions for DRM are incipient. The [Index of Governance and Public Policy in Disaster Risk Management](#) (iGOPP) measures whether a country has adequate legal, institutional, and budgetary conditions to implement a public DRM policy, based on a scale of 0% (minimum) to 100% (maximum). It was developed by the IDB in 2012-2014 and has been applied since then in 13 countries of the region. Although Bolivia falls within the average for the region, compared with other countries with a similar exposure to threats, the index shows a relatively lower score, indicating that opportunities for improvement exist.

Figure 1. Bolivia's iGOPP in the regional context (2013-2014)



4. Recent government advances in the sector and pending challenges

- 1.6 Bolivia recently passed [Law 602 on DRM](#), which strengthens a modern regulatory framework that promotes DRM as a cross-cutting component of all public policies and at all levels of subnational management. The framework provides for a strategic coordination body, the National Risk Reduction and Emergency Response Council (CONARADE),³ and two key ministries for policy guidance and coordination: the

³ The following ministries sit on CONARADE: Development Planning; National Defense; Environment and Water; Public Works, Services, and Housing; Health; and Rural Development and Land.

Ministry of Development Planning (MPD), which focuses on risk reduction, and the Ministry of Defense, which focuses more on preparedness and emergency response. According to the 2014 iGOPP [exercise](#), despite the passage of Law 602 and Law 300 “Madre Tierra [Mother Earth] Framework and Comprehensive Development to Live Well,” which define the linkage between DRM and adaptation to climate change (ACC), the current National Risk Reduction and Disaster and Emergency Response System (SISRADE) presents a series of shortcomings in terms of the regulatory framework for DRM and in the five public policies that comprise this topic: (i) risk identification; (ii) risk reduction; (iii) response preparedness; (iv) post-disaster recovery planning; and (v) financial protection.⁴ The shortcomings are discussed below.

- 1.7 **The DRM guiding framework.** This refers to the existence of an adequate regulatory foundation for organizing and coordinating DRM in each country, including specific DRM regulations and enabling procedures at the subnational and sector levels to ensure they are viable. Funding must be available to implement DRM processes and establish adequate mechanisms for citizen participation and information and for process monitoring, evaluation, and follow-up. In this regard, Bolivia’s comprehensive planning system of the State (SPIE) does not have regulations or planning instruments that incorporate the DRM mandate. Although Law 602 and [Law 300](#) authorize the establishment of a fund to finance DRM and one to finance ACC—the Risk Reduction and Disaster Response Fund (FORADE) and the Madre Tierra [Mother Earth] Plurinational Fund, respectively—the funds have not been established as yet. Bolivia has no mechanism to track public spending on DRM, which makes it difficult to monitor public policy in that area. Nor have responsibilities for control and evaluation of the policy been determined. Lastly, although Bolivia has a regulatory framework that coordinates DRM and ACC effectively through the Madre Tierra Law 300, the main strategic instruments for climate change have not been developed. The guiding framework scores 69% on the respective iGOPP subindex.
- 1.8 **Risk identification** is the DRM public policy focused on risk analysis, in other words, the knowledge of the origins, causes, scope, frequency, and possible evolution of, among other things, potentially dangerous phenomena, and of the location, causes, development, and resistance and recovery capacity of exposed socioeconomic elements, including infrastructure. Although Bolivia has made progress in identifying the responsibilities of the autonomous subnational governments (ETAs) for including risk analysis in local development planning, through [Framework Law 031 on Autonomous Regions and Decentralization](#), the national institutions in charge of establishing guidelines and standards for conducting analyses of risks and of the impact of climate change and for identifying critical infrastructure have not been named. Such infrastructure is understood to be the physical infrastructure, technical installations, and principal systems that are

⁴ The iGOPP is composed of six subindexes corresponding to these five public policies and the guiding framework.

socially, economically, or operationally essential for the functioning of a society or community, in both normal circumstances and extreme ones during a disaster. [The iGOPP exercise in the region](#) made it possible to verify that out of the countries to which the index was applied, only Jamaica and Bolivia did not have a regulatory framework establishing which infrastructure is critical. Nor has responsibility for this public policy been defined for the public utility companies. Risk identification scores 45% on the iGOPP subindex.

- 1.9 **Risk reduction** is the DRM public policy that focuses on minimizing vulnerabilities and risks in a society to avoid (prevent) or limit (mitigate) the adverse impact of threats, in the broad context of sustainable development. Bolivia has not established responsibilities or standards for risk reduction related to critical infrastructure either at the sector level or for ETAs or public utility companies. [In the region](#), just three countries (Colombia, Costa Rica, and Guatemala) have established those responsibilities, which is a sine qua non for making progress in risk reduction for existing constructions. Moreover, although the new Law 602 mandates the inclusion of risk analysis in public investment, it does not specify at what stage of investment and the country has no methodological guidelines for making it operational. Risk reduction scores 34% on the iGOPP subindex.
- 1.10 **Response preparedness.** The objective of this DRM public policy is planning, organizing, and testing procedures and protocols for society's response in the event of a disaster, ensuring effective and timely assistance for the people affected, and normalizing essential activities in the disaster area. To properly implement this public policy, aspects already considered in Law 602 need to be regulated and made more specific: (i) the requirement to formulate national emergency plans and to conduct national and sector drills; (ii) damage assessments and needs analysis to inform emergency response activities; (iii) the requirement to establish methodological guidelines for the formulation of contingency plans by the ETAs; (iv) regulation of international disaster assistance coordination; and (v) establishment of mechanisms for civil society participation in emergencies. Preparedness scores 34% on the iGOPP subindex
- 1.11 **Recovery planning** is the DRM public policy that focuses on preparedness for the rapid and effective reestablishment of acceptable and sustainable living conditions, through the rehabilitation or reconstruction of infrastructure, goods, and services that have been destroyed, cut off, or deteriorated in the affected area, and reactivation of economic and social community development under lower risk conditions than before the disaster. This public policy presents a greater challenge in terms of developing a regulatory framework, [as is also the case in the other countries of the region](#). Although Law 602 and Framework Law 031 offer a basic structure of government responsibilities for implementation, methodologies need to be regulated and defined for implementing the following aspects, among others: (i) definition of sector and subnational responsibilities for the formulation of recovery plans that seek to reduce preexisting vulnerabilities; (ii) updating of development plans after a disaster; (iii) participation by civil society in the

recovery; and (iv) determination of the duration of the economic reactivation and reconstruction stages. Recovery planning scores 9% on the iGOPP subindex.

- 1.12 **Financial protection** is the DRM public policy that seeks an optimum mix of financial mechanisms and instruments to contain and transfer risk in order to gain access to timely financial resources. This boosts disaster response capacity and cushions the impact on the government's fiscal balance. In Bolivia, implementation of a comprehensive financial management strategy for disaster risk is hampered by the failure to determine responsibilities for this public policy at the ministerial level and by the lack of scaling of the country's probable losses associated with severe and catastrophic recurrent disasters. Consequently, the country has not determined the level of financial coverage needed to fund emergency spending or the most suitable financial instruments for providing that coverage (budget provisions, emergency reserve funds, contingent credit lines, disaster insurance and bonds), nor has it developed policies for insuring public infrastructure. Financial protection scores 35% on the iGOPP subindex.

5. Design of the operation and strategic alignment

- 1.13 The program seeks to promote a process of regulatory and institutional reform that comprehensively addresses the three types of DRM: (i) prospective management that seeks to avoid the creation of future risk; (ii) corrective management aimed at reducing existing risk; and (iii) reactive management that seeks to respond to emergencies, either because an imminent threat exists or because a risk has materialized.
- 1.14 With this first operation, sector and subnational responsibilities for DRM will be defined and regulations for the main financial instrument for implementing the policy (FORADE) will be issued. This will be done through the approval of specific DRM-related regulations—specifically enabling regulations of Law 602 through a cabinet supreme decree. Under the second operation, public policy will be implemented by, among others: (i) including DRM and ACC in comprehensive planning by the State and in public investment; (ii) expanding financial coverage to respond to emergencies; and (iii) authorizing resources to invest in DRM and ACC.
- 1.15 This first operation involves full application of the principles of the Bank's Disaster Risk Management Policy (OP-704) and the components and actions described below are consistent with the best practices and recommendations stemming from that policy. The policy (document GN-2354-5) proposes a proactive stance to reduce the toll of disasters in the region through a comprehensive approach with an emphasis on the measures taken before a hazard results in a disaster rather than on post disaster recovery. This approach seeks to make disaster risk prevention an integral part of governance. It involves the following set of activities: risk analysis to identify the types and magnitude of potential impacts faced by member countries and that affect development investments; risk reduction measures (prevention and mitigation) to address the structural and nonstructural sources of vulnerability; financial protection and risk transfer to spread financial risks over time and among

different actors; emergency preparedness and response to enhance a country's readiness to cope quickly and effectively with an emergency; and post-disaster rehabilitation and reconstruction to support effective recovery and to safeguard against future disasters. Based on empirical evidence from similar reforms in the region, promoted through Bank operations and incorporating a comprehensive vision of the components of DRM, interventions of this kind have significant impacts on governance for DRM, measured through the iGOPP. Such interventions refer to reforms in Peru and Colombia in contexts similar to those of this operation. In both those countries, the impact evaluations of operations PE-L1138 and CO-L1103 used a reflexive methodology based on the iGOPP calculation. The iGOPP measurements demonstrate that, thanks to implementation of the reforms promoted by the Bank, the countries experienced a significant improvement in governance for DRM. Specifically, [in the case of Peru](#), the baseline measurement resulted in an iGOPP of 31% in 2011, which rose to 52% in 2014 after the PBP was implemented. [In the case of Colombia](#), the baseline measurement indicates that the iGOPP was 40% in 2010 and rose to 56% in 2012 after the PBP was implemented. An analysis performed to evaluate the contribution of improved governance for DRM to reducing natural disaster risk [in the case of Bogota](#) shows that the conditions that favor DRM created by changes in national regulations have led to changes in regulations at the local level that have translated into effective disaster risk reduction actions with considerable economic benefits.

- 1.16 The program will take into account lessons learned during similar Bank-supported reforms in Peru, Panama, and Colombia, including the importance of: (i) providing for predictable funding to implement DRM and ACC policies, which will be done through FORADE and the Madre Tierra Plurinational Fund; (ii) defining mechanisms to track public spending on DRM, by having the Office of the Deputy Minister for Public Investment and External Financing (VIPFE) create a classifier for public spending on DRM; (iii) separating roles and responsibilities between risk reduction and emergency response, by distributing functions between the MPD and the Ministry of Defense through the enabling regulations of Law 602; (iv) stressing the regulatory and institutional strengthening of risk identification as the foundation for the other DRM policies, by defining responsibilities for risk identification in the enabling regulations of Law 602; (v) supporting the leadership of the institutions with planning and public finance responsibilities, through the assignment of key responsibilities in the MPD and the Ministry of Economic Affairs and Public Finance in the enabling regulations of Law 602; and (vi) promoting DRM as the main mechanism for ACC in the case of extreme climate events, through explicit coordination between the DRM and ACC legal frameworks.
- 1.17 **Consistency with national priorities, the country strategy, and GCI-9.** This operation is aligned with the National Development Plan established in the medium- and long-term development planning guidelines related to Patriotic Agenda 2015 and its strategy for “environmental quality management and comprehensive risk management.” As for synergy between DRM and ACC, the program is aligned with the opinion of the Intergovernmental Panel on Climate

Change (IPCC) expressed in the [Special Report on Managing the Risks of Extreme Events and Disasters to Advance Climate Change Adaptation](#) (IPCC 2012), which recognizes that, for extreme events, the main way in which climate change reveals itself at the local level is in the form of risk. For this reason, and in accordance with that report, DRM activities in general are found to be ACC activities when the risk under consideration involves hydrometeorological or climate events. This is a fortunate situation for establishing a public policy on adaptation, since it means that in the past and in the present, when DRM actions have been or are being taken, they are ACC actions as well. That is why, in accordance with the IPCC's position, this programmatic series is found to be aligned with: (i) the priority of support for small and vulnerable countries; and (ii) the lending program priority in support of climate change, renewable energy, and environmental sustainability initiatives, established in the Report on the Ninth General Increase in the Resources of the Bank (document AB-2764). In addition, the program will contribute to the following regional development goals: (i) countries with planning capacity for climate change mitigation and adaptation; and (ii) reduction in economic damages from natural disasters. The program is aligned with the Bank's strategy with Bolivia 2011-2015 (document GN-2631-1) by helping with: (i) the priority sector of strengthening public governance; (ii) the area of dialogue on DRM; and (iii) the cross-cutting issue of adaptation to climate change. It has been included in the Country Programming Document for 2015 (document GN-2805). Lastly, the program is aligned with the Sustainable Infrastructure Strategy for Competitiveness and Inclusive Growth (document GN-2710-5) since it promotes better governance of critical infrastructure.

B. Objectives, components, and costs

- 1.18 The objective is to improve the country's DRM governance and financial capacity by strengthening and modernizing the regulatory, institutional, and budgetary public policy framework for DRM. The program will make it possible to establish a DRM system with an institutional structure that has clearly defined responsibilities for the different levels of government and ministries, and with preestablished financial resources for emergency prevention and response. The program will benefit: (i) the entire Bolivian population and, in particular, groups that are most vulnerable and exposed to natural threats, comprising an estimated two million people ([World Bank 2014](#)); and (ii) the main entities that sit on CONARADE (paragraph 3.1), which is the senior decision-making and coordination body and has a significant mandate to propose DRM policies and strategies. The [Policy Matrix](#) (Annex II) establishes the sequence of commitments for the program, structured into the following components.
- 1.19 **Component 1. Macroeconomic stability.** The objective of this component is to maintain a stable macroeconomic environment consistent with the program's objectives and the Policy Letter.
- 1.20 **Component 2. Development of the guiding framework.** The objective of this component is to develop and strengthen the general governance framework for

DRM. The main **policy commitments** in this component are: (i) the inclusion of DRM in the Five-year Development Plan; (ii) approval of the enabling regulations of Law 602 that govern a fund (FORADE) to finance disaster prevention activities, define the DRM responsibilities of the ministries that sit on CONARADE (paragraph 1.6), and establish responsibilities for DRM evaluation by the State's oversight agencies; (iii) establishment of guidelines for the creation of a DRM and ACC classifier in the public investment system under VIPFE; (iv) definition of the optimum mix of instruments for risk reduction, containment, and transfer by starting a study to calculate the most efficient allocation, one of the main strategic instruments for climate change incorporating DRM considerations: the plurinational climate change policy. The second PBP will move ahead with authorizing FORADE, incorporating the DRM classifier into the national public investment system, and approving strategic planning instruments that include DRM considerations. It will also set in motion the process of reform in terms of the regulatory framework for State planning, ensuring that DRM is included in the draft SPIE law. It is prudent not to include commitments related to evaluation of DRM processes in the second PBP, in order to allow time for effective implementation of the new regulatory framework before evaluating it.

1.21 **Component 3. Development of regulations, institutions, and sector and subnational management instruments.** This component complements the governance reforms by developing the following crucial lines of intervention.

- a. **Risk identification.** The objective of this line is to improve public policy conditions for risk identification. The policy commitments include approval of DRM regulations that: (i) assign responsibilities for defining methodologies for use in studies on the effects of climate change; (ii) mandate the identification of critical infrastructure in sectors and ETAs; (iii) establish the risk analysis responsibilities of public utility companies; and (iv) establish that risk studies should apply probabilistic methodologies. These commitments will be met by approving enabling regulations of Law 602 that take these quality attributes into account. After this first PBP defines institutional responsibilities for, and features of, risk analyses, the second PBP will focus on defining methodologies and guidelines and on conducting a pilot study to make the mandates of Law 602 operational. Some of these commitments are being supported by Bank technical cooperation funding (paragraph 2.2).
- b. **Risk reduction.** The objective of this line is to improve public policy conditions for risk reduction. The policy commitments include the approval of DRM regulations that: (i) define the responsibilities of sectors, ETAs, and public utility companies for reducing risks involving crucial or essential infrastructure; and (ii) mandate the inclusion of risk analysis in all stages of public investment. These commitments will be met by approving enabling regulations of Law 602 that incorporate both policy considerations. As in the previous core area, this first PBP will help determine institutional responsibilities and the mandate for including DRM in public investment. The

second PBP will focus on preparing policy, guidelines, and technical benchmarks for risk reduction.

- c. **Response preparedness.** The objective of this line is to improve public policy conditions for response preparedness. The policy commitments include having the enabling regulations of Law 602 relating to response preparedness processes consider the following quality attributes: (i) mandate the drafting of emergency and contingency plans at the national and sector levels; (ii) establish that response and humanitarian assistance activities should be based on damage assessments and needs analysis; (iii) call for drills and simulations to be carried out; (iv) mandate the drafting of methodological guidelines for the formulation of contingency plans at the different ETA levels; and (v) control the coordination of international disaster assistance. The Ministry of Environment and Water (MMAyA) will draw up contingency plans for the El Niño Southern Oscillation. Under this first PBP, technical responsibilities will be determined and an institutional contingency plan will be prepared. The second PBP will focus on the design and implementation of operational instruments and on approval of the contingency plan prepared.
- d. **Recovery planning.** The objective of this line is to improve public policy conditions for post-disaster recovery planning. The policy commitments include the approval of DRM regulations that mandate the ministries to draw up post-disaster recovery plans that seek to reduce preexisting vulnerabilities. This commitment will be met by approving the enabling regulations of Law 602 that include this mandate. The first PBP will define institutional responsibilities and the second will focus on precise regulation of certain quality attributes of recovery processes and on the development of mechanisms and guidelines for adequately implementing the regulatory mandates for this DRM process.
- e. **Financial protection.** The objective of this line is to improve public policy conditions for financial protection. The policy commitments include: (i) issuing rules governing a fund (FORADE) to finance emergency assistance; and (ii) approving regulations to assign responsibilities in the area of financial protection for disaster risk. Both commitments will be fulfilled by approving the enabling regulations of Law 602 that include these aspects of the reform. The first PBP will define institutional responsibilities and the main financial instrument, while the second will scale potential losses in support of more effective use of the financing instrument.

C. Key results indicators

- 1.22 The main expected impact of the programmatic series is to help improve the country's governance and financial capacity for DRM. Governance for DRM will be measured using the iGOPP (paragraph 1.5) for Bolivia compared with the 2014 baseline (iGOPP>38%). The increase in financial capacity thanks to savings from a more efficient mix of hedging instruments will be measured in terms of the

reduction of new debt incurred as a percentage of GDP to respond to a disaster emergency and for rehabilitation and reconstruction.

- 1.23 These program activities will establish a substantially improved regulatory, institutional, and budgetary framework consistent with international best practices, leading to decentralized, interagency, multisector DRM. This new regulatory, institutional, and budgetary framework will ensure that the results of the operation are sustainable. Specifically, the program is designed to have a direct impact on certain indicators that measure the existence of effective governance conditions to implement public policy for DRM, reflected in the iGOPP subindexes for the guiding framework, risk identification, risk reduction, preparedness, recovery planning, and financial protection. Table 1 identifies the subindexes on which the program is expected to have a direct influence in order to raise the levels identified in the 2014 baseline.

Table 1. iGOPP subindexes

Indicator	Baseline	Target
General framework	69%	85%
Risk identification	45%	59%
Risk reduction	34%	47%
Response preparedness	34%	48%
Post-disaster recovery planning	9%	42%
Financial protection	35%	43%

- 1.24 The [results matrix](#) describes the impact and results indicators, the baseline, and the program's targets. Details on the construction and implementation of the iGOPP, its methodology, and its components can be found in the [monitoring and impact evaluation plan](#).

D. Economic evaluation

- 1.25 The [economic evaluation](#) presents an analysis of the main policy commitments under this programmatic series, which are associated with the components for risk reduction, development of the guiding framework, and financial protection, combining cost-benefit and cost-effectiveness methodologies. Specifically, as part of the risk-reduction reforms that are part of this PBP, the Bolivian government will approve a regulatory framework that requires public institutions to reduce the vulnerability of essential buildings or critical infrastructure through measures to reinforce or replace them. These investments will result in lower annual expected losses in the event of a disaster by up to US\$78.4 million net present value, with an internal rate of return of 37.1%.⁵ In the context of the components to develop the guiding framework and financial protection, the Bolivian government will issue rules governing a fund to finance risk-reduction and emergency response activities

⁵ Using a 20-year horizon and a discount rate of 12%.

(FORADE). The FORADE rules will help to lessen the government's fiscal vulnerability to disasters by providing funds for disaster response and the contracting of risk transfer instruments. This tool will lower the amount of funding that the government has to obtain from other sources, such as external ex post borrowing.

- 1.26 In conclusion, in the scenario with the PBP, the Bolivian government increases its financial capacity for DRM. Table 2 shows the resource requirements and additional borrowing, as a percentage of GDP, that the country would incur to deal with an emergency, rehabilitation, and reconstruction caused by events with different probabilities of occurrence.

Table 2. Resource requirements and borrowing

	Recurrent event (with 18% probability)		Severe event (with 10% probability)		Catastrophic event (with 2% probability)	
	Without PBP	With PBP	Without PBP	With PBP	Without PBP	With PBP
Resource requirements (US\$ millions)	470	387	841	758	4,666	4,583
Borrowing/GDP	0.47%	0.11%	1.62%	0.79%	13.48%	12.65%

II. FINANCING STRUCTURE AND MAIN RISKS

A. Financing instruments

- 2.1 The program is set up as a series of two independent but technically-related PBPs. This approach was selected in accordance with document CS-3633-1 (Policy-based Loans: Guidelines for Preparation and Implementation) because it allows for flexibility to adapt to changing circumstances that may arise during execution and to revise the scope of the program over time. By fulfilling the commitments established for the two operations, the objective for the programmatic series will be attained. The amount of the first PBP has been determined considering the country's financial needs (paragraph 1.2) and the programming exercise with the Bank. Disbursement of the loan proceeds will be subject to compliance by the borrower with the general and special conditions (policy reforms) established in the loan contract. The amount of the second PBP will be determined with the government during the programming process, based on the country's financing needs. Given the country's progress since Law 602 was passed, all the commitments under this first operation are expected to be fulfilled before it is submitted to the Board of Executive Directors for consideration.
- 2.2 This PBP will be financed as follows: US\$114,024,000 from the Ordinary Capital and US\$28,506,000 from the Fund for Special Operations. The design of the PBP and implementation of its policy commitments have been supported by technical-

cooperation project ATN/OC-14904-BO, approved in February 2015 in the amount of US\$370,000 from the Small and Vulnerable Countries Program. The consulting services financed include support for drafting the enabling regulations of Law 602 and the rules governing FORADE and defining the DRM classifier in the public investment system.

B. Environmental and social risks

- 2.3 This operation has no negative environmental impacts and includes environmental sustainability as an intrinsic program requirement. According to directive B.13 of the Environment and Safeguards Compliance Policy (OP-703), this operation does not require classification, since it is a PBP.

C. Other risks

- 2.4 Even though a risk involving public management was initially identified related to a possible delay in approval of the enabling regulations of Law 602, as a result of comments by the Ministry of Finance and the Ministry of Autonomous Regions during the process of formal review of the articles of the regulations referring to FORADE and the responsibilities of the ETAs, respectively, that risk was mitigated during the preparation of this PBP. When this PBP began to be processed, the risk was classified as medium (high impact owing to the importance of the regulations for this PBP, although with low probability given the advanced stage of the process). To mitigate this risk, it was agreed with the executing agency to hold meetings with the Offices of the Deputy Ministers to address the comments on the regulations.

III. IMPLEMENTATION AND MANAGEMENT PLAN

A. Summary of execution arrangements

- 3.1 The borrower will be the Plurinational State of Bolivia. The executing agency will be the MPD, through VIPFE, which will be responsible for tracking fulfillment of the commitments in the Policy Matrix by the different government institutions (Annex II). As executing unit, VIPFE will: (i) maintain official communication with the Bank and submit evidence of compliance with the operation's conditions and any other report required by the Bank within the agreed terms and conditions; (ii) promote actions to attain the policy objectives, in particular the conditions included as triggers for this program; and (iii) compile and submit to the Bank any information and indicators that would help the Bolivian government and the Bank to monitor, measure, and evaluate the program's results. VIPFE will coordinate the receipt of evidence related to the commitments assumed by the different government agencies (MPD, Ministry of Defense, Madre Tierra Plurinational Authority (APMT), and MMAyA), as specified in the [means of verification matrix](#).

B. Summary of arrangements for monitoring and evaluating results

- 3.2 The programmatic commitments set out in the Policy Matrix, the [means of verification matrix](#), and the [results matrix](#) establish the parameters for program

supervision and results evaluation. In the MPD, VIPFE bears responsibility for these activities. Since the majority of the commitments under the first PBP depend on approval of the enabling regulations of Law 602, which is the responsibility of two ministries (the MPD itself and the Ministry of Defense), no multiagency coordination body is required; instead, VIPFE will coordinate bilaterally with the ministries involved.

- 3.3 A reflexive methodology will be used to evaluate the impacts and results of the program. It will measure the different indicators before and after the program. Most of the indicators correspond to the iGOPP methodology developed by the Bank. A 2014 baseline is available for all the indicators, as well as the targets for the end of the PBP series. Funds from technical cooperation operation ATN/OC-14904-BO (paragraph 2.2) will be used for the impact evaluation. The budget and timetable of activities for the evaluation are described in the [impact monitoring and evaluation plan](#).

IV. POLICY LETTER

- 4.1 The Bank has agreed with the Bolivian government on the macroeconomic and sector policies included in the [Policy Letter](#) from the MPD, which describes the main components of the country's strategy for the program and reaffirms its commitment to implement the activities agreed upon in the Policy Matrix.

Development Effectiveness Matrix				
Summary				
I. Strategic Alignment				
1. IDB Strategic Development Objectives		Aligned		
Lending Program	-Lending to small and vulnerable countries -Lending to support climate change initiatives, renewable energy and environmental sustainability			
Regional Development Goals	-Countries with planning capacity in mitigation and adaptation of climate change -Annual reported economic damages from natural disasters			
Bank Output Contribution (as defined in Results Framework of IDB-9)				
2. Country Strategy Development Objectives		Aligned		
Country Strategy Results Matrix	GN-2631-1	Adaptation to climate change.		
Country Program Results Matrix	GN-2805	The intervention is included in the 2015 Operational Program.		
Relevance of this project to country development challenges (If not aligned to country strategy or country program)				
II. Development Outcomes - Evaluability		Evaluable	Weight	Maximum Score
		7.7		10
3. Evidence-based Assessment & Solution		9.6	33.33%	10
3.1 Program Diagnosis		3.0		
3.2 Proposed Interventions or Solutions		3.6		
3.3 Results Matrix Quality		3.0		
4. Ex ante Economic Analysis		8.0	33.33%	10
4.1 The program has an ERR/NPV, a Cost-Effectiveness Analysis or a General Economic Analysis		2.5		
4.2 Identified and Quantified Benefits		2.0		
4.3 Identified and Quantified Costs		0.0		
4.4 Reasonable Assumptions		2.0		
4.5 Sensitivity Analysis		1.5		
5. Monitoring and Evaluation		5.5	33.33%	10
5.1 Monitoring Mechanisms		1.5		
5.2 Evaluation Plan		4.0		
III. Risks & Mitigation Monitoring Matrix				
Overall risks rate = magnitude of risks*likelihood		Medium		
Identified risks have been rated for magnitude and likelihood		Yes		
Mitigation measures have been identified for major risks		Yes		
Mitigation measures have indicators for tracking their implementation		Yes		
Environmental & social risk classification		B.13		
IV. IDB's Role - Additionality				
The project relies on the use of country systems				
Fiduciary (VPC/FMP Criteria)				
Non-Fiduciary				
The IDB's involvement promotes additional improvements of the intended beneficiaries and/or public sector entity in the following dimensions:				
Gender Equality				
Labor				
Environment				
Additional (to project preparation) technical assistance was provided to the public sector entity prior to approval to increase the likelihood of success of the project	Yes	Technical assistance was provided to support the revision of existing policies and the design of new policies to be implemented with the PBP (ATN/OC-14904-BO).		
The ex-post impact evaluation of the project will produce evidence to close knowledge gaps in the sector that were identified in the project document and/or in the evaluation plan				

This is the first of two planned operations of a series of programmatic loans supporting policy reforms (PBP) which aim to improve governance and financial capacity of the country for Disaster Risk Management (DRM), by strengthening and modernizing the regulatory, institutional and budgetary public policy framework for comprehensive disaster risk management. A proper diagnosis of the overall risks and probable losses associated with natural disasters facing the country and the ability of the Bolivian government to manage these risks is presented. Similar to previous loans in the sector, proposed interventions stem from deficiencies detected through the application of the different indices used in the diagnosis, and the expected results translate into an improvement in these indices. Therefore, the vertical logic of the program is ensured by construction. However, the proposed impact indicator is a direct result of the implementation of the policies and actions of the PBP (IGOPP), and not an indicator related to the medium and long term changes expected, to which the program contributes.

The general economic analysis includes an appreciation of the expected impact of the risk-reduction component, based on the reduction of expected annual loss (PAE), and of the Financial Protection. The benefits identified are generally adequate, however the estimated direct and indirect costs are not properly identified and quantified for the risk reduction component. The Monitoring and Evaluation Plan meets the requirements of the DEM.

POLICY MATRIX

General objective	To improve the country's disaster risk management (DRM) governance and financial capacity by strengthening and modernizing the regulatory, institutional, and budgetary public policy framework for comprehensive disaster risk management. Specifically, a series of reforms will be promoted to improve public policy conditions for: (i) risk identification; (ii) risk reduction; (iii) response preparedness; (iv) post-disaster recovery planning; and (v) financial protection.
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Policy objectives	Programmatic commitments I (2015)	Programmatic commitments II (2016)
Component I: Macroeconomic stability		
a. Maintain a stable macroeconomic framework.	Maintain a stable macroeconomic environment consistent with program objectives and the Policy Letter.	Maintain a stable macroeconomic environment consistent with program objectives and the Policy Letter.
Component II: Development of the guiding framework		
a. Develop and strengthen the general governance framework for DRM.	Rules governing a fund to finance DRM activities. Responsible parties: Ministry of Defense and Ministry of Development Planning (MPD).	Establishment of a fund to finance DRM activities. Responsible party: Ministry of Defense. Creation of economic incentives for units in the subnational governments and the different sectors (ministries) to implement DRM actions. Responsible party: Ministry of Defense.
	Formulation of proposed internal regulations for establishing a fund for climate change mitigation and adaptation (Madre Tierra [Mother Earth] Plurinational Fund). Responsible party: Madre Tierra Plurinational Authority (APMT).	Establishment of a fund for climate change mitigation and adaptation (Madre Tierra Plurinational Fund). Responsible party: APMT.
	Formulation of a Five-year Development Plan that includes DRM criteria. Responsible party: MPD.	Approval of a Five-year Development Plan that includes DRM criteria. Responsible party: MPD.

Policy objectives	Programmatic commitments I (2015)	Programmatic commitments II (2016)
		Formulation of a draft bill on the Comprehensive Planning System of the State (SPIE) that incorporates mandates for DRM within its area of responsibility. Responsible party: MPD.
	Formulation of guidelines for incorporating DRM and adaptation to climate change (ACC) into the public investment system, with a classifier to identify DRM and ACC actions. Responsible party: MPD.	Incorporation of the DRM and ACC focus in the Investment Information System classifier (SISIN Web). Responsible party: MPD. At least one ministry that sits on CONARADE has adapted its sector planning processes related to DRM within its area of responsibility.
	Approval of enabling regulations of Law 602 identifying the specific responsibilities for DRM of the ministries that sit on CONARADE within their areas of responsibility. Responsible parties: Ministry of Defense and MPD.	
	Approval of enabling regulations of Law 602 establishing that DRM will be monitored and evaluated by the State's oversight agencies. Responsible parties: Ministry of Defense and MPD.	
	Approval of enabling regulations of Law 602 establishing that FORADE will be subject to supervision, monitoring, and evaluation by the State's oversight agencies. Responsible parties: Ministry of Defense and MPD.	
	Commencement of a study that examines the optimum combination of risk reduction, containment, and transfer instruments for Bolivia based on probabilistic risk studies. Responsible party: MPD	The optimum combination of risk reduction, containment, and transfer instruments for Bolivia based on probabilistic risk studies has been determined. Responsible party: MPD

Policy objectives	Programmatic commitments I (2015)	Programmatic commitments II (2016)
	Formulation of at least one of the main strategic instruments for climate change that incorporates DRM considerations. Responsible party: APMT	Approval of at least one of the main strategic instruments for climate change that incorporates DRM considerations. Responsible parties: APMT and MMAyA
Component III: Development of regulations, institutions, and sector and subnational management instruments		
a. Improve public policy conditions for risk identification.		Formulation of regulations that assign responsibilities for providing technical assistance and strategic guidelines at the subnational and sector levels for disaster risk analysis. Responsible party: MPD.
		Methodology and strategic guidelines for incorporating risk analysis into at least one type of development plan. Responsible party: MPD.
	Approval of enabling regulations of Law 602 assigning responsibilities for the definition of methodologies and/or strategic guidelines for studies on the effects of climate change. Responsible parties: Ministry of Defense and MPD.	
	Approval of enabling regulations of Law 602 establishing that studies on threats related to geological, climate, and hydrological events will consider the frequency of occurrence associated with the intensity of the events. Responsible parties: Ministry of Defense and MPD.	Study containing a probabilistic calculation of floods in at least one pilot watershed to serve as a benchmark for defining a risk analysis methodology. Responsible party: MPD.
	Approval of enabling regulations of Law 602 establishing that public utility companies are responsible for conducting disaster risk analyses in their areas of responsibility. Responsible parties: Ministry of Defense and MPD.	
	Approval of enabling regulations of Law 602 mandating the identification of essential buildings and critical infrastructure at the sector and subnational levels within their areas of responsibility. Responsible parties: Ministry of Defense and MPD.	Formulation of guidelines containing criteria to guide the identification of essential buildings and critical infrastructure at the sector and subnational levels. Responsible party: MPD.

Policy objectives	Programmatic commitments I (2015)	Programmatic commitments II (2016)
		Approval of rules for identifying essential buildings and critical infrastructure in at least one sector. Responsible party: One ministry that sits on CONARADE.
b. Improve public policy conditions for risk reduction.	Approval of enabling regulations of Law 602 establishing that public institutions must take steps to reduce the vulnerability of essential buildings and critical infrastructure by reinforcing or replacing them. Responsible parties: Ministry of Defense and MPD.	Formulation of guidelines containing criteria to guide the sectors and ETAs in preparing rules to reduce the vulnerability of essential buildings and critical infrastructure by reinforcing or replacing them. Responsible party: MPD.
	Approval of enabling regulations of Law 602 establishing that public utility companies are responsible for reducing disaster risks in their areas of responsibility. Responsible parties: Ministry of Defense and MPD.	
	Approval of enabling regulations of Law 602 establishing that acceptable risk benchmarks must be defined for at least two types of threats. Responsible parties: Ministry of Defense and MPD.	At least one sector has established acceptable risk benchmarks for at least two types of threats. Responsible party: MPD.
	Approval of enabling regulations of Law 602 mandating the inclusion of risk analysis in all stages of public investment. Responsible parties: Ministry of Defense and MPD.	
	Approval of a rule for preinvestment that incorporates DRM and ACC. Responsible party: MPD.	Formulation of a preinvestment guide for at least one sector that incorporates DRM and ACC. Responsible party: MPD.

Policy objectives	Programmatic commitments I (2015)	Programmatic commitments II (2016)
c. Improve public policy conditions for response preparedness.	Approval of enabling regulations of Law 602 including the following quality attributes: (i) mandate the drafting of emergency and contingency plans at the national and sector levels; (ii) establish that response and humanitarian assistance activities should be based on damage assessments and needs analysis; (iii) call for drills and simulations to be carried out; (iv) mandate the drafting of methodological guidelines for the formulation of contingency plans at the different ETA levels; and (v) control the coordination of international disaster assistance. Responsible parties: Ministry of Defense and MPD.	Approval of methodological guidelines for preparing contingency plans at the different ETA levels. Responsible party: Ministry of Defense Formulation of a protocol that governs mutual assistance in the event of disasters. Responsible party: Ministry of Defense
	Approval of enabling regulations of Law 602 establishing mechanisms for participation by civil society in these processes at the ETA level. Responsible parties: Ministry of Defense and MPD.	Identification and activation of at least one mechanism for civil society participation in responding to a declared emergency. Responsible party: Ministry of Defense
	Formulation by the Ministry of Environment and Water of a contingency plan for the El Niño Southern Oscillation. Responsible parties: MMAyA and Ministry of Defense	Approval of the Ministry of Environment and Water's contingency plan for the El Niño Southern Oscillation. Responsible parties: MMAyA and Ministry of Defense
d. Improve public policy conditions for post-disaster recovery planning.	Approval of enabling regulations of Law 602 establishing that each ministry, within its area of responsibility, will prepare post-disaster recovery plans that explicitly seek to reduce preexisting vulnerabilities. Responsible parties: Ministry of Defense and MPD.	Formulation of a national recovery plan establishing that each ministry, within its area of responsibility, will draw up post-disaster recovery plans that define the duration of the stage in which support will be provided for the reestablishment of living conditions and infrastructure during the transition between response and reconstruction. Responsible parties: Ministry of Defense and MPD. Definition of a mechanism for participation by civil society or social and nongovernmental organizations in post-disaster recovery. Responsible parties: Ministry of Defense and MPD.

Policy objectives	Programmatic commitments I (2015)	Programmatic commitments II (2016)
		<p>Formulation of rules governing the evaluation, revision, or updating of the development plans of the ETAs and land management plans after a disaster affecting subnational management units. Responsible party: MPD</p> <p>Methodology and strategic guidelines for updating development plans in post-disaster scenarios so they will not reproduce conditions of vulnerability. Responsible party: MPD.</p>
e. Improve public policy conditions for financial protection.	<p>Issuing of rules governing a fund (FORADE) to finance emergency assistance activities. Responsible parties: Ministry of Defense and MPD.</p>	<p>The Ministry of Planning has determined the amount of financing required to cover recurrent and catastrophic events, based on an analysis of maximum probable losses for different return periods. Responsible party: MPD</p>
	<p>Approval of enabling regulations of Law 602 establishing functions relating to financial protection from disaster risks. Responsible parties: Ministry of Defense and MPD</p>	