

CRISIS PREPAREDNESS AND RESPONSE

Best Practices and Lessons Learned
from Contingent Emergency Response
Component (CERC) activations and
Implementation



GFDRR

Global Facility for Disaster Reduction and Recovery



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ABBREVIATIONS

ADs	Afro-descendants
AFR	Africa Region
AFE	Eastern and Southern Africa region
AFW	Western and Central Africa region
Cat	DDO Development Policy Financing with Catastrophe Deferred Drawdown Option
CCT	Conditional Cash transferCERC Contingent Emergency Response Component
CERP	Contingent Emergency Response Project
CPRT	Crisis Preparedness and Response Toolkit
CRDC	Climate Resilient Debt Clause
CRF	Crisis Risk Financing
DRC	Democratic Republic of the Congo
DRM	Disaster Risk Management
DRR	Disaster Risk Reduction
DRT	Disaster Risk Transfer
EAP	East Asia and the Pacific region
EAP	Emergency Action Plan
ECA	Europe and Central Asia region
EP&R	Emergency Preparedness and Response
ESMF	Environment and Social Management Framework
FCV	Fragility, Conflict, and Violence, or Fragile, Conflict-affected, or Violence-affected
GFDRR	Global Facility for Disaster Reduction and Recovery
GP	Global Practice
GRADE	Global Rapid Post-Disaster Damage Estimation

IBRD	International Bank for Reconstruction and Development
IDA	International Development Association
IDPs	Internally Displaced Persons
ICR	Implementation Completion and Results Report
IPF	Investment Project Financing
IPs	Indigenous Peoples
IRM	Immediate Response Mechanism
ISR	Implementation Status and Results Report
JIT	Latin America and the Caribbean region
LCR	Latin America and the Caribbean region
M&E	Monitoring and Evaluation
MNA	Middle East and North Africa region
NGO	Nongovernmental Organization
PAD	Project Appraisal Document
PDO	Project Development Objective
PforR	Program for Results
PMU	Project Management Unit
POM	Project Operations Manual
PPE	Personal Protective Equipment
RRO	Rapid Response Option
SAR	South Asia region
SDG	Sustainable Development Goal
SIDS	Small Island Developing States
SP	Social Protection
TTL	Task Team Lead
WASH	Water, Sanitation, and Hygiene



EXECUTIVE SUMMARY

In an era marked by escalating global crises—ranging from disasters to pandemics to food security challenges and economic upheavals—countries are increasingly vulnerable. The lack of robust crisis preparedness and response systems, coupled with fragmented institutional frameworks and insufficient financial mechanisms, exacerbates these vulnerabilities, often reversing years of development progress. Effective preparedness is essential as it mitigates the impact of disasters on communities and economies, ensures rapid and efficient crisis response, and fosters coordinated emergency efforts. Moreover, it enhances institutional capacity to manage disaster risks and promotes cross-sectoral and inter-agency collaboration for a cohesive and unified approach.

The World Bank (the Bank) has a long history of supporting countries in crisis situations through the Crisis Preparedness and Response Toolkit (CPRT). This toolkit provides rapid access to financing for governments during crises. It strengthens countries' ability to respond to emergencies through flexible financial instruments. The CPRT, recently expanded and enhanced, includes mechanisms and instruments like the Rapid Response Option (RRO), Development Policy Financing with Catastrophe Deferred Drawdown Option (DPF Cat DDO), Climate Resilient Debt Clause (CRDC), Investment Policy Financing (IPF) with DDO, and Disaster Risk Transfer (DRT) transactions.

One tool in the CPRT is the Contingent Emergency Response Component (CERC), introduced in 2007 as an emergency response financing mechanism that can be embedded within any IPF or Program for Results (PforR) with an IPF component. CERCs provide a lifeline for countries facing crises by enabling governments to rapidly disburse project funds for an eligible emergency. By embedding mechanisms like CERCs within lending operations, the Bank ensures that countries have immediate access to funds in the wake of a disaster or emergency, thereby minimizing response times and mitigating the impact on affected populations. This flexibility has been crucial in enabling countries to respond effectively.

This report analyzes the CERCs which have been activated and implemented, identifying challenges and good practices, for fiscal years 2012 to 2023. The main objective of this quantitative and qualitative review is to highlight overall trends in how CERCs have been incorporated into lending operations across different sectors and regions. It analyzes CERC activations in response to various disasters from natural and anthropogenic hazards and discusses the challenges

faced during CERC preparation and activation. Finally, the report showcases good practices and lessons learned that contribute to effective and efficient response.

The report's findings come from World Bank portfolio data analysis and surveys and interviews with Bank task team leaders (TTLs) involved in CERCs.

Project documentation reviewed includes Project Appraisal Documents (PADs), Restructuring Papers, Implementation Status and Results Reports (ISRs), and Implementation Completion and Results Reports (ICRs). The data were extracted from the Bank's data systems¹ and databases related to the Global Facility for Disaster Reduction and Recovery (GFDRR) Trust Fund.

The report provides evidence that CERCs are a critical crisis preparedness tool, providing rapid access to financing for swift emergency response when crises occur.

CERCs can finance activities related to a specific emergency or crisis response, including works, goods, services, cash transfers, training and operational costs. Moreover, CERCs allow the Bank to engage in policy dialogue and to help strengthen the capacity of governments that are at high risk of disasters and disease outbreaks (World Bank 2021). The effectiveness of CERCs is significantly influenced by the extent to which the parties involved are ready to act. This readiness entails the completion of several preparatory measures. For example, it is essential that all required documentation is compiled and organized before an emergency occurs. Additionally, a predefined list of eligible expenditures for emergency response should be established. Furthermore, it is critical to engage in simulation exercises and preparatory activities in collaboration with the government in question to ensure that the procedures and protocols are well understood and can be swiftly enacted. For CERCs to be activated efficiently, both the Bank and the government must have their respective teams fully prepared and equipped to manage the emergency response. This preparation includes understanding roles, responsibilities, and the sequence of actions to be taken upon activation of the CERCs.

RECOMMENDATIONS

1. **Strategic and Efficient Planning (for Bank operational task teams and government counterparts):** For Bank operational task teams and their government counterparts, strategic and efficient planning during the operations preparatory stage is crucial. Establishing practical thresholds for activating the CERC and agreeing on ineligible activities in advance within the CERC manual are essential steps. Close collaboration between Bank teams and their client counterparts is critical and should focus on understanding and

¹ The analysis was conducted before the organizational restructuring (establishing the verticals and departments) hence the analysis including graphs include global practices and not global department. Supplemental FY24 analysis will include Global departments.

advocating for effective emergency provisions in national procurement regulations, including maintaining up-to-date registries of pre-qualified suppliers and establishing pre-arranged agreements for specific emergency goods and services. These practices enable rapid procurement and deployment of necessary resources during crises. In fragile and conflict-affected contexts, where procurement challenges can lead to delays, engaging third-party implementers such as the United Nations Office for Project Services (UNOPS) or the World Food Program (WFP) can help.

Moreover, it is important to recognize that procurement thresholds are country-specific and emergency-dependent. Engaging in conversations with governments about their capacities to quickly assess impact is crucial, as they often have limited capacity for rapid damage and loss assessment and may need to rely on third-party sources. Additionally, it is necessary to consider whether countries have reserve funds or CAT DDOs (Catastrophe Deferred Drawdown Options) or Contingent Emergency Response Projects (CERPs) in place to understand how the government will use these instruments to meet its emergency response needs. This comprehensive approach ensures that all aspects of emergency preparedness and response are effectively addressed.

2. **Capacity Building and Institutional Readiness Workshops (for Bank operational task teams and government counterparts):** Conducting targeted training workshops for government agencies, local governments, civil society organizations, and other stakeholders is essential to enhance awareness and build institutional capacities for emergency response. These measures collectively contribute to a more effective and responsive emergency management system, minimizing bottlenecks and validating new or existing standard operating procedures. Workshops should be specifically designed to address the practical aspects of CERC activation, such as conducting rapid needs assessments, making quick decisions on activities or goods to be funded, and developing an Emergency Action Plan (EAP). Rapid needs assessments are critical for decision-making on activities that the CERCs will finance, as well as informing the EAP. The government may use national assessment systems or employ external rapid assessment methodologies. Tools like the Bank's Global Rapid Post-Disaster Damage Estimation (GRADE)² rapid assessment, which has been effectively utilized in Morocco post-earthquake and Bangladesh post-floods, enable quick estimation of response needs.

This focused approach will foster a cohesive and informed network of stakeholders, which is essential for activating and implementing CERCs, strengthening overall preparedness and response capabilities, and informing new stakeholders. These workshops should be strategically timed to avoid

² Gunasekera, R., Daniell, J. E., Pomonis, A., Arias, R. A. D., Ishizawa, O., & Stone, H. (2018). *Methodology Note on the Global Rapid Post-Disaster Damage Estimation (GRADE) approach*. World Bank, Washington DC. https://www.gfdrr.org/sites/default/files/publication/DRAS_web_04172018.pdf

overlapping with critical emergency response periods and scheduled when most, if not all, stakeholders can participate, ensuring broad and effective engagement.

The workshops should cover the identification of eligible expenditures, specific tasks required during CERC activation, and the assignment of roles and responsibilities of various agencies involved in the emergency response. Developing a detailed task matrix and including role-playing exercises can help participants understand their roles and responsibilities and what to expect from a CERC activation. Another important focus should be on establishing and practicing coordination mechanisms among different stakeholders. This includes developing communication protocols and standard operating procedures (SOPs) for inter-agency coordination and collaboration. Simulations and tabletop exercises are essential for practicing emergency response plans and testing the readiness of the emergency response system. Regularly scheduling and conducting these exercises, followed by debriefing sessions to discuss lessons learned and areas for improvement, ensures continuous improvement. Documenting and sharing best practices and insights gained from these exercises can further enhance future responses.

3. **Monitoring, Evaluation, and Accountability (for Bank operational task teams):** Aligning CERC activities with relevant indicators and establishing adequate monitoring mechanisms with clearly defined roles and responsibilities, are key to ensuring an accurate assessment of the impact of interventions and maintaining accountability and coordination among government agencies. It is worth mentioning that these indicators are identified and agreed upon at the moment of CERC activation in the Emergency Action Plan. This structured approach to monitoring and evaluation not only facilitates an accurate assessment of such impacts but also reinforces accountability. Indicators should be tied to activities and information that are related to expected CERC outcomes and should reasonably be within the government's ability to track indicators with low transaction costs.
4. **Knowledge Management and Transparency (for Bank operational task teams and government teams):** Utilizing storytelling exercises and semi-structured interviews can provide valuable insights into the contributions of CERC-funded emergency support to sustainable recovery efforts. These methods allow for the collection of qualitative data that captures the experiences and lessons learned from those directly involved in emergency response and recovery. By sharing these stories, operational task teams can better understand the impact of their interventions and identify areas for improvement. Additionally, comprehensive CERC manuals that outline program design, eligible expenditures, beneficiary criteria, and fiduciary arrangements are crucial for maintaining transparency and accountability throughout the implementation processes. These manuals should be regularly updated to

reflect new insights and best practices gathered from field experiences and feedback from stakeholders and shared with task teams. Regularly scheduled knowledge-sharing sessions and workshops can also facilitate the exchange of information and foster a culture of continuous learning.

5. **Proactive and Informed Project Design (for Bank operational task teams):** Proactive planning to anticipate bottlenecks in government systems, especially in challenging socio-political contexts, can mitigate delays and ensure timely emergency responses. Recognizing the importance of government awareness of the risks associated with resource reallocation for CERC activations fosters an appreciation of the benefits of CERCs and aids in ensuring that the CERCs are well prepared in the new operations. Task teams should also have information about other potential sources of funding for emergency response that the government would likely receive, including from the Bank and other development partners.
6. **GFDRR Support (to Bank operational task teams):** The Global Unit for Disaster and Climate Risk Management, through the GFDRR Umbrella Trust Fund, has provided essential technical support, knowledge generation, and assistance in preparing and activating CERCs. This support has been key to enabling rapid and effective disaster responses. Leveraging experience and lessons learned from CERC activations, the unit is well-positioned to continue supporting operational teams, including through the new CERP. By offering just-in-time (JIT) support and expertise in both CERCs and CERPs, the unit ensures a robust, adaptable response to emergencies, tailored to the specific needs of each situation. GFDRR continues to support teams related to CERCs as well as the enhanced CPRT toolkit.



I. INTRODUCTION

1.1 OBJECTIVE OF THE CONTINGENT EMERGENCY RESPONSE COMPONENT (CERC) PORTFOLIO REVIEW

The objective of this report is to provide a comprehensive analysis of the CERC Portfolio from fiscal year FY'12 to FY'23. This analysis aims to identify overarching trends, identify best practices, and distill key lessons from the implementation of CERCs toward improving emergency preparedness and response capacities. The Global Unit for Disaster and Climate Risk management with its GFDRR Umbrella Trust Fund conducted this analysis to draw lessons and generate knowledge to help in the preparation, activation and implementation of CERCs introduced in IPF projects for crisis preparedness and response. The GFDRR umbrella is a multi-donor-funded program managed by the Bank that plays a pivotal role in supporting disaster risk management projects globally. Through its extensive network of over 400 partners, the GFDRR provides not only funding and technical assistance but also valuable knowledge that underpins the Bank's efforts in this domain. The findings of this report will contribute to the GFDRR's commitments and align with the Bank's requirements to bolster EP&R mechanisms.

This review is an exercise in understanding how CERCs have been activated and utilized in various contexts, ranging from natural and anthropogenic hazards to health emergencies.³ The insights gained from this review will inform the Bank's strategies and guidance for integrating CERCs into future projects, ensuring that these mechanisms are designed and executed with the highest efficacy and impact. The importance of this report is underscored by its potential to influence the design and implementation of CERCs, making them more responsive and adaptable to the evolving needs of client countries facing crises. Beyond informing the Bank's strategies and guidance for CERC implementation, GFDRR's extensive experience in CERC activations can inform the Bank's recently enhanced CPRT and the preparedness of operational teams to use these instruments efficiently. Lessons learned from CERCs should be viewed as a key component of the strategic support provided to countries for crisis preparedness and response, alongside the preparation of other contingent mechanisms, such as Contingent Emergency Response Projects (CERPs). The process of meeting the requirements for CERCs offers a valuable blueprint for CERP preparation. Ensuring readiness requires, to the extent possible during project preparation, clearly defining the requirements for activation. This includes establishing the criteria for identifying eligible emergencies or crises, outlining the flow of funds, defining implementation arrangements, and addressing key aspects such as environmental, social, and fiduciary considerations. GFDRR can support teams

³ During the review period, only a few CERCs were activated to respond to man-made emergencies, for example, in Mozambique a CERC was activated to respond to the crisis faced by internally displaced populations.

to better prepare to activate these instruments, including by offering recommendations to update staff guidance, clarify procedures, and identify opportunities for simplification.

The report draws on a comprehensive data set, including

1. **Portfolio Data:** Data on projects with CERCs and CERC activations were extracted from the Bank's data systems and the CERC Dashboard.
2. **Interviews:** Semi-structured interviews were conducted with World Bank task team leaders (TTLs) who have experience with CERCs.
3. **Project Documentation:** A review of project appraisal documents (PADs), restructuring papers, Implementation Status and Results Reports (ISRs) and Implementation Completion Reports (ICRs).

1.2 OVERVIEW OF CONTINGENT EMERGENCY RESPONSE COMPONENT (CERC)

A CERC is an ex-ante mechanism available to World Bank client countries to gain rapid access to financing to respond to an eligible crisis or emergency. The CERC is included as part of a World Bank operation (IPF and PforR, if it includes an IPF component) and can be activated to repurpose project funds to respond to natural and human-made hazards and health emergencies.⁴

CERCs are embedded in operations to strengthen a Borrower's Emergency Preparedness and Response (EP&R) capacities. They are normally prepared in advance of an emergency following procedures applicable to regular investment operations during the operation preparation phase. In the event of an emergency, a CERC can be activated for an eligible event as defined in the CERC Manual. Once activated, rapid utilization of loan proceeds is implemented by minimizing the number of processing steps and applying the flexibilities summarized in paragraph 12 of the IPF policy.⁵

Operationally, a CERC constitutes a financing window that allows the Bank to provide funds promptly for an eligible crisis or emergency directed to any affected sectors and geographical areas of a country. In principle, a CERC is not constrained by the regular project's development objective(s), sector, or area of intervention unless limitations are set for the CERC in the project's legal agreement or by the type of financing. Bank funds can be made available through a direct allocation

⁴ CERCs can be included as part of investment project financing (IPF) operations and Program-for-Results (PforR) that include an IPF component, by the International Bank for Reconstruction and Development (IBRD), the International Development Association (IDA), or Trust Funds when applicable.

⁵ For more details please check IPF Policy.

Box 1. Characteristics of CERCs

- **Development objective:** The overriding aim of a CERC is to provide rapid support for responding to an eligible emergency. The project development objective (PDO) should specifically reflect this feature of the CERC.
- **Activation criteria:** Contingent components are designed to be disbursed only after an emergency has occurred or is about to occur. In addition to compliance with the definition of crisis or emergency in OP 8.00, criteria include evidence that the eligible emergency has occurred or is emerging as agreed in the CERC Manual. CERC activation does not require a formal declaration of a state of emergency (or equivalent) in accordance with the Borrower's emergency response laws and regulations.
- **Eligible expenditures:** If a CERC component is included in a project, it is typically because the country is known to be at risk of some types of emergencies (hurricanes, earthquakes, disease outbreaks, etc.). This, together with other factors such as the nature of the Original Project and the possible existence of other projects with CERCs, focuses the CERC on a certain set of activities and eligible expenditures. A CERC may finance works, goods, non-consulting services and consulting services, training, and operating costs.
- **Allocation of financing:** CERCs may be used in IPFs financed by IBRD and IDA, and, when applicable, financed by TFs. The CERC is activated without needing to first restructure the Original Project, thus facilitating rapid implementation. Usually, a CERC is embedded in an IPF with zero funds allocated to it, but this is not mandatory. Once the requirements for activating the CERC are met, uncommitted funds from the project are reallocated to the CERC and made available for crisis or emergency response. To facilitate a rapid response, formal restructuring is deferred to within three months after the CERC is activated. Active IPFs can also be restructured to include a CERC.
- **Disbursement arrangements:** The Original Project's Disbursement and Financial Information Letter contains provisions for the CERC's possible utilization, including (i) Implementing Agency, (ii) the type and details of the designated account to be used for the CERC (if separate from that of the Original Project), (iii) the procedures/requirements for withdrawing the loan, credit, or grant proceeds for the CERC, and (iv) the supporting documentation that needs to accompany each Withdrawal Application, whether it be for an advance, a reimbursement, or a direct payment.

Source: World Bank, CERC guidance (2017).

to the CERC and/or reallocation of funds from regular project activities. A CERC's design and requirements should be detailed during regular project preparation or restructuring. Importantly, when CERCs are activated, which is during project implementation, the provisions of the IPF Policy, paragraph 12, regarding

“Projects in Situations of Urgent Need of Assistance or Capacity Constraints” are applied. CERCs are expected to provide support for the immediate recovery needs covering a short-term period (12 to 18 months). As the experience with CERCs shows, the most critical factor for ensuring that they meet their objective and perform well is readiness for activation and implementation.

CERCs were formally introduced in FY2007 under the Bank’s new policy framework for rapid response to crises and emergencies, applicable to both IDA and IBRD countries. This framework aimed to transform the Bank’s approach to dealing with crises, disasters, and conflict situations by improving flexibility, speed, and effectiveness of emergency responses. It broadened the definition of emergencies to include economic and social impacts from natural or man-made crises and expanded the policy’s applicability to objectives such as preserving human, institutional, and social capital, and facilitating peace building. The policy emphasized coordination with development partners, a strategic approach to disaster risk management (DRM) and crisis prevention, while maintaining the Bank’s focus on core development and economic competencies. These principles are set out in the Bank Policy on Rapid Response to Crises and Emergencies and cross-referenced in paragraph 13 of the Bank Policy on Investment Project Financing (IPF). CERCs allow for greater flexibility and responsiveness in addressing various emergencies. This broader application enables countries to integrate emergency response components into their development projects, enhancing overall preparedness and resilience. Moreover, CERCs benefit from paragraph 12 flexibilities of the IPF Policy once activated.

Building on the foundation of CERCs, the Bank’s Board approved the Immediate Response Mechanism (IRM) for IDA countries in FY2012 as part of IDA 16. The IRM aimed to enhance IDA’s capacity to respond quickly to crises, complementing the Crisis Response Window (CRW) for severe exogenous shocks. The IRM addressed a gap in the Bank’s emergency response framework for low-income countries by significantly reducing the time between a crisis and access to IDA resources. In recent years, however, project-specific CERCs are used more broadly across the regions.

1.3 STRUCTURE AND METHODOLOGY OF THE REPORT

The report is structured as follows: Part I, the Introduction, provides an overview of the objective, rationale, scope, and methodology of the report. Part II presents a CERC portfolio review between FY12 and FY23 across the Bank. Part III presents available evidence of CERC activations in response to natural hazards and health emergencies. Part IV consolidates insights on GFDRR grants and CERC-related supportive activities and illustrates lessons from previous years. Finally, part V,

Conclusion and Recommendations, synthesizes key findings and presents potential implications for World Bank staff and their government counterparts.

For data collection, the report employs the following sources:

The CERC Dashboard,⁶ which contains information derived from World Bank project documentation and data collected from the teams

- (i) GFDRR grant implementation and monitoring databases
- (ii) Focus group discussions and individual interviews with TTLs engaged in CERC activations
- (iii) A survey of TTLs leading projects with CERC activations
- (iv) A review of Implementation Completion and Results reports (ICRs) of closed projects with CERC activations

The CERC Dashboard includes the following information: (i) Closed, Active, and Pipeline projects with CERCs across the regions and Global Practices; (ii) CERC activations in response to disasters; and (iii) CERC activations in response to COVID-19. Annex 1 lists CERC activations in response to natural disasters, with the related CERC activities and amounts. The GFDRR monitoring and evaluation (M&E) database includes data about grants that include CERC-related activities, explained further in Part IV. For a series of interviews with TTLs, the report uses a sample that is representative of all regions, including fragility, conflict, and violence (FCV) contexts and small island developing states (SIDS). Annex 2 presents an interview questionnaire with 9 questions about various CERC aspects. A survey was distributed to 210 TTLs and received a 30 percent response rate. Annex 3 contains a survey questionnaire with 16 questions about CERC challenges, potential improvements in CERC design and implementation, and GFDRR support. Finally, annex 4 is a list of insights into the design and implementation of CERCs based on the ICR review of closed projects with CERC activations.

In terms of limitations, the data on CERC activation is based on the information received from the task teams. Due to manual data collection some activation may be missing from the report.

⁶The CERC Dashboard has been developed by GFDRR and OPCS and has been used by task teams for data analysis and reporting.



II. PORTFOLIO REVIEW

2.1 OVERALL TRENDS IN THE CONTINGENT EMERGENCY RESPONSE COMPONENT (CERC) PORTFOLIO

While this report shows current trends in the CERC portfolio, it also aims to contribute to a better understanding of factors that can strengthen the structure and implementation of CERCs by governments. CERC is intended to support immediate recovery needs within an 18-month period, without the need to initially restructure the original project. Defining key aspects of the CERC during project preparation minimizes the time and effort required to make uncommitted funds available for urgent needs during a crisis or emergency. This mechanism therefore helps facilitate rapid implementation of the emergency response.

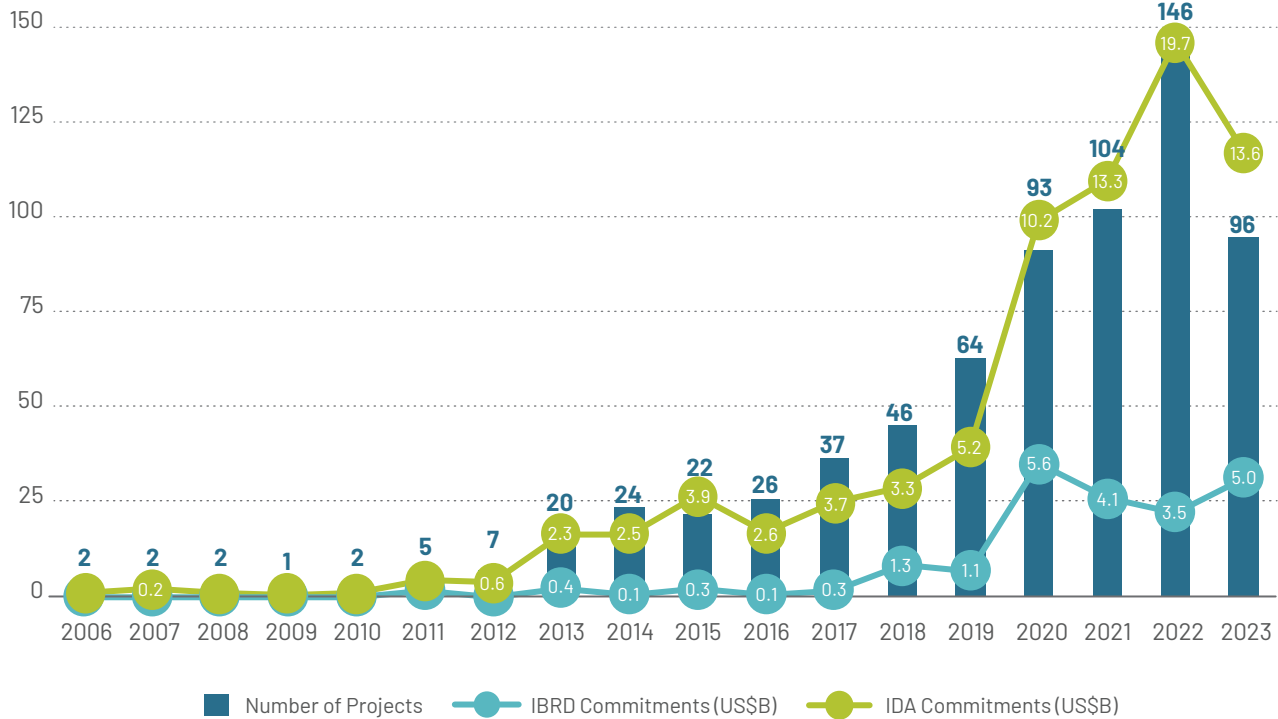
The Manual for the CERC provides detailed guidelines and procedures for its implementation, and it is ideally prepared in advance. The manual, which is prepared by the government, outlines the activities and implementation arrangements for the CERC. It also includes the agreement on what is needed for a CERC activation, including the evidence to determine that an eligible crisis or emergency has occurred or is developing as defined in OP8.0⁷. Additionally, the CERC Manual specifies which emergency expenditures are eligible and, often, which activities are ineligible for funding under the CERC. Overall, the CERC Manual serves as a comprehensive framework for the activation, implementation, and completion of a CERC-financed emergency response, ensuring that the funds are allocated and utilized effectively.

During the last few years, CERCs have gained momentum. The number of projects with CERCs has increased markedly over the past decade ending June 30, 2023, peaking at 146 in FY22 (Figure 1). Although some CERCs were included in active projects through restructuring, the rising trend was already noticeable in FY19. Higher numbers of IPFs with CERCs in FY20, FY21, and FY22 were likely driven by CERCs proving to be useful mechanisms during COVID-19 by providing timely contingent financing to respond to the pandemic emergency. As of June 30, 2023, there were 578 active projects (IPFs) with CERCs across the regions and Global Practices, with a total commitment of US\$90 billion⁸.

⁷An eligible crisis or emergency is “an event that has caused, or is likely to imminently cause, a major adverse economic and/or social impact associated with natural or man-made crises or disasters” (as defined in OP 8.00 “Rapid Response to Crises and Emergencies”). Such events may include a disease outbreak.

⁸Only undisbursed and uncommitted funds can be allocated to a CERC.

Figure 1. Historical Trend of Projects with CERC Components⁹ (FY06–23)

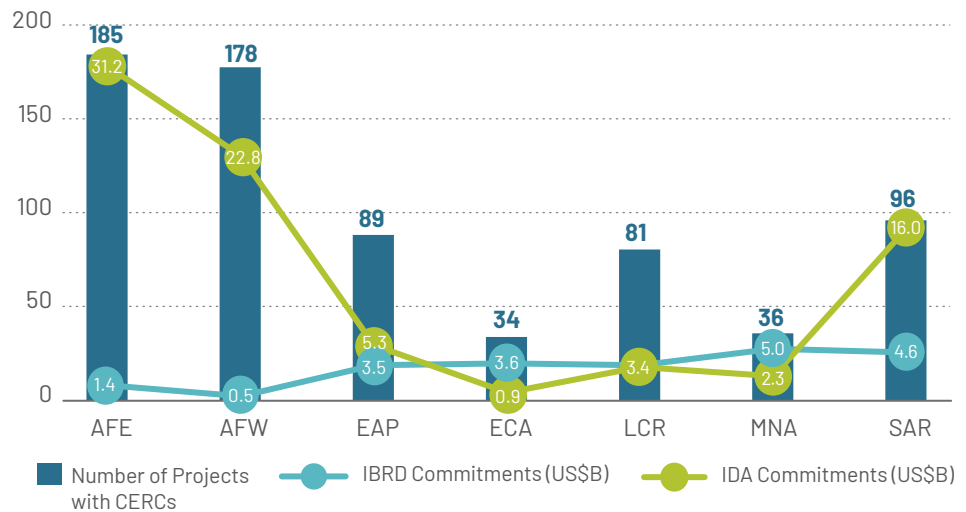


Source: Authors using World Bank data.

In terms of regional share, the Africa East (AFE) had the largest number of active investment project financings with CERCs (185 or 26 percent of total), the Africa West (AFW) with 178 IPFs (25 percent of total), and the South Asia (SAR) region with 96 IPFs (14 percent of total) (see figure 2).

Figure 2. Projects with CERC Components, by Region (FY06–23)

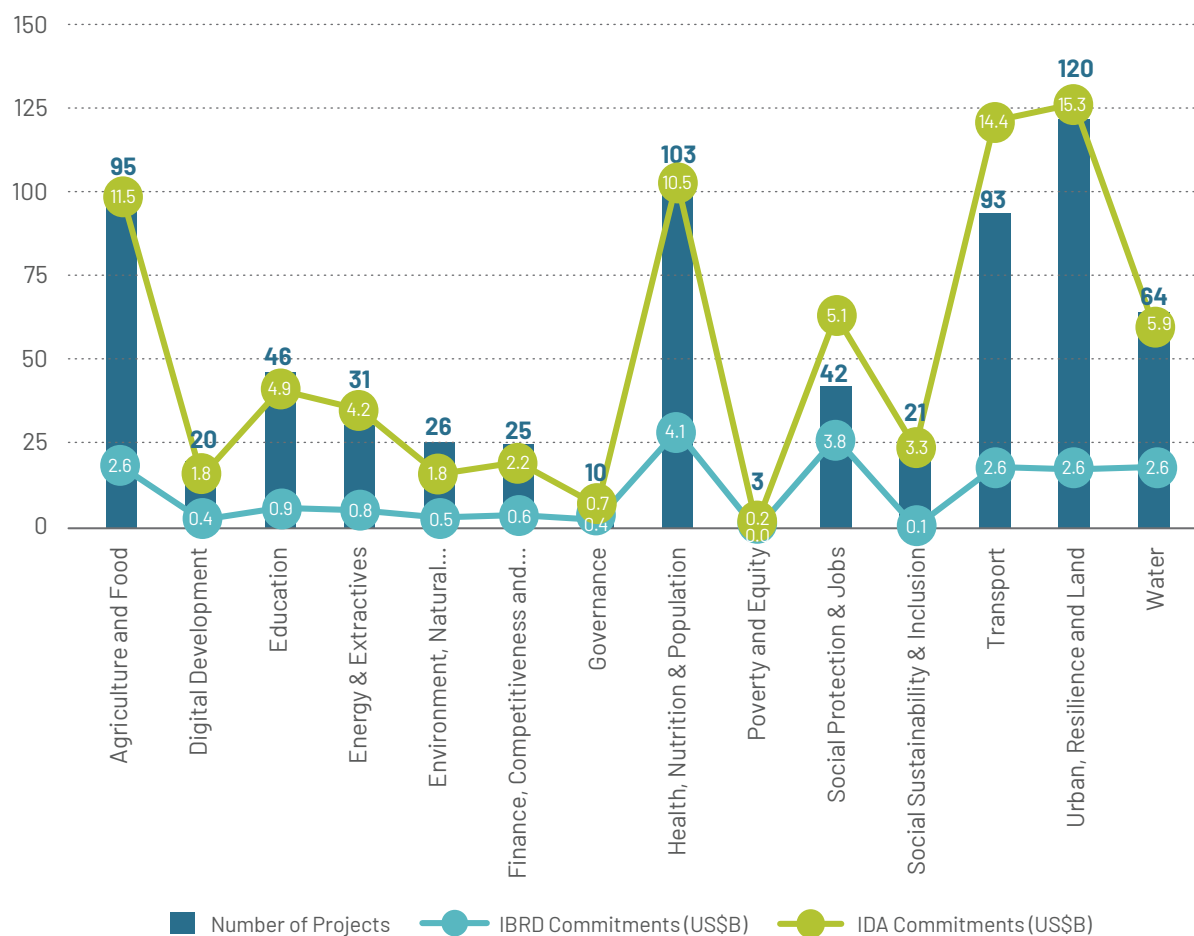
Source: Authors using World Bank data.



⁹ The graph is based on the database of projects with CERCs. The projects are included based on the approval date. For projects with an approval date earlier than FY2010, the CERC were incorporated as a result of restructuring.

Among the global practices, the Urban, Resilience and Land Global Practice had the highest number of active IPFs with CERCs (120), followed by Health Nutrition and Population (103), and then Agriculture and Food (see figure 3).

Figure 3. Projects with CERC Components, by GP (FY06–23)



III. ANALYSIS OF ACTIVATIONS



3.1 OVERALL TRENDS IN CONTINGENT EMERGENCY RESPONSE COMPONENT (CERC) ACTIVATIONS

The number of CERC activations demonstrates annual fluctuations, reaching a record number during the COVID-19 pandemic, with 63 CERC activations in FY20 (figure 4). CERCs provided timely contingent financing during the pandemic and continue to play an important role in mobilizing contingent financing in emergencies.

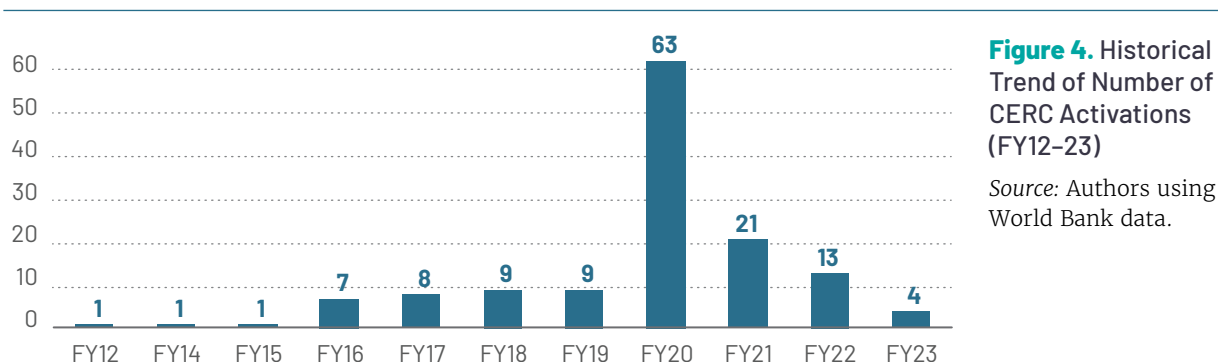
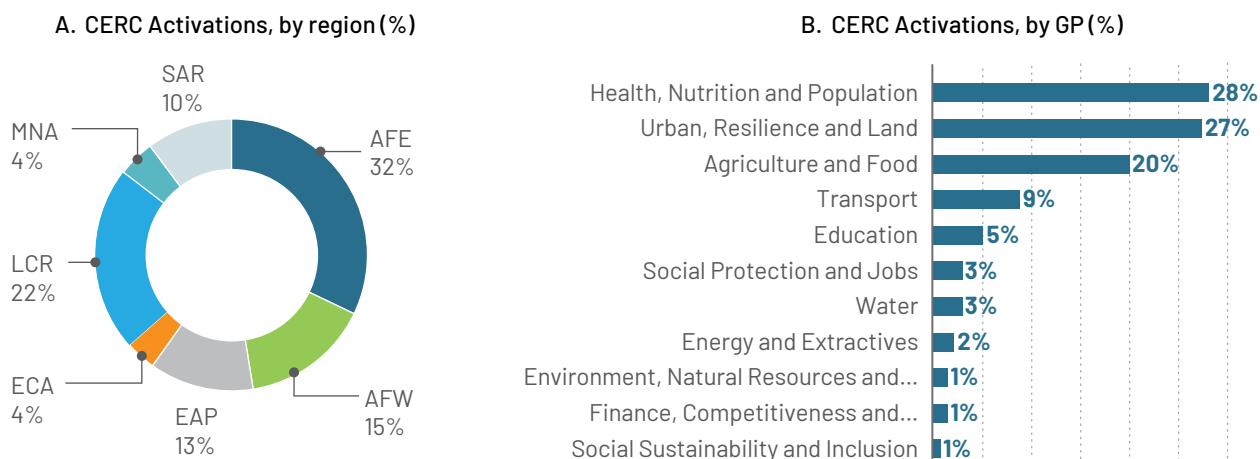


Figure 4. Historical Trend of Number of CERC Activations (FY12–23)

Source: Authors using World Bank data.

Regionally, the AFE region had the largest number of CERC activations (44, or 32 percent of the total), followed by LCR with 30 CERC activations or 22 percent of the total, and AFW with 21 activated CERCs or 15 percent of the total (see figure 5A). The top 3 countries were Mozambique (8), Madagascar (7), and Myanmar (7). Approximately 39 percent of all the CERCs were activated in fragile and conflict-affected states. The Health, Nutrition and Population Global Practice had the highest number of activated CERCs (38, or 28 percent of the total) followed by the Urban, Resilience and Land (36, or 27 percent) and Agriculture and Food (27, or 20 percent) (see figure 5B).

Figure 5. CERC Activations, by Region and GP (FY12–23)

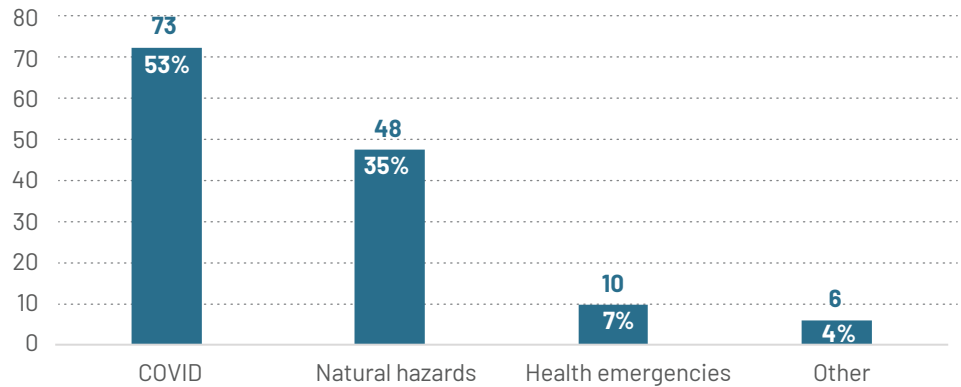


Source: Authors using World Bank data.

CERCs have been activated in response to natural hazards and health emergencies, including COVID-19. Between FY12 and FY23, 137 CERCs were activated in response to natural hazards and health emergencies, such as Ebola and COVID-19, in IDA and IBRD countries, with total financing of \$3.2 billion. Of 137 CERCs, the vast majority were activated between FY20 and FY21 as a mechanism to rapidly mobilize contingent financing to respond to the pandemic. Overall, 35 percent of CERCs were activated in response to natural hazards, such as hurricanes and floods, while 60.6 percent were used for health emergencies. These include COVID-19 (53.3 percent) and non-COVID emergencies (7.3 percent) such as Ebola, cholera, and animal disease outbreaks. In addition, 4.4 percent of CERCs were activated in response to other emergencies, such as locusts and conflicts (see figure 6).

Figure 6. CERC Activations (FY12–23), by Type (% and number)¹⁰

Source: Authors using World Bank data.



In FY12–23, there were 114 CERC activations, with total IDA funding of \$2.2 billion. Figure 7 shows the historical trend of CERC activations financed by the IDA in this period, which accounted for 70 percent of the total funding for activated CERCs and 83 percent of all projects with activated CERCs. Overall, the highest number of CERC activations financed by the IDA was observed in FY20–21, indicating that regional teams were using this tool to respond to the COVID-19 pandemic.

The largest share of CERC activations with IDA financing was observed in the AFE region (39 or 34 percent of the total) followed by LCR (23 or 20 percent) and AFW (19 or 17 percent), as shown in figure 8A. Mozambique (8), Haiti (7), Myanmar (7), Madagascar (6), and Dominica (5) had the highest number of activated CERCs financed by the IDA.

¹⁰ Rounding applies to numbers

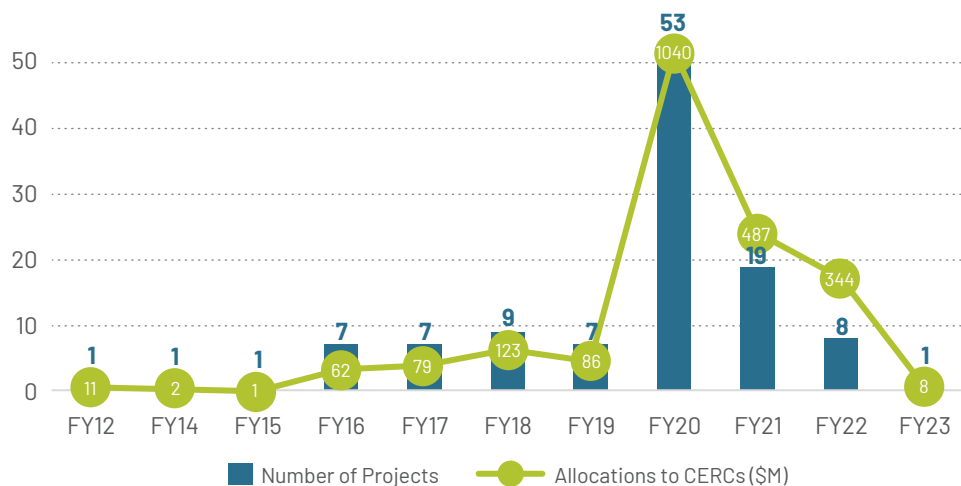


Figure 7. Historical Trend of IPFs with CERCs in IDA Countries (FY12-23)¹¹

Source: Authors using World Bank data.

Box 2. Use of the IDA’s Immediate Response Mechanism (IRM) CERC in Myanmar during the 2015 Floods and Landslides

Context: The IDA activated the IRM CERC in June 2016 for emergency recovery support for six of Myanmar’s 14 states and regions that had been affected by the 2015 floods and landslides. Sourced from five projects with CERCs, the US\$54 million IDA IRM purchased critical machinery and equipment, production inputs, and other required goods. The procurement and distribution of goods, supported by the United Nations Office for Project Services, was completed in September 2018.

Results: The IRM-funded goods supported recovery in priority disaster-affected areas and improved preparedness within respective sectors. The results included the establishment of Emergency Operation Centers with improved resources such as speed boats, vehicles, and bailey bridges used to support emergency response during floods in 2018. Similarly, IRM funding mobilized road repair machinery, water pumps, weather forecasting, and meteorological equipment during recent disasters. An important contribution was the enhanced disaster risk management (DRM) capacity and increased collaboration of government officials at union, state, and regional levels on DRM and in using goods during emergencies.

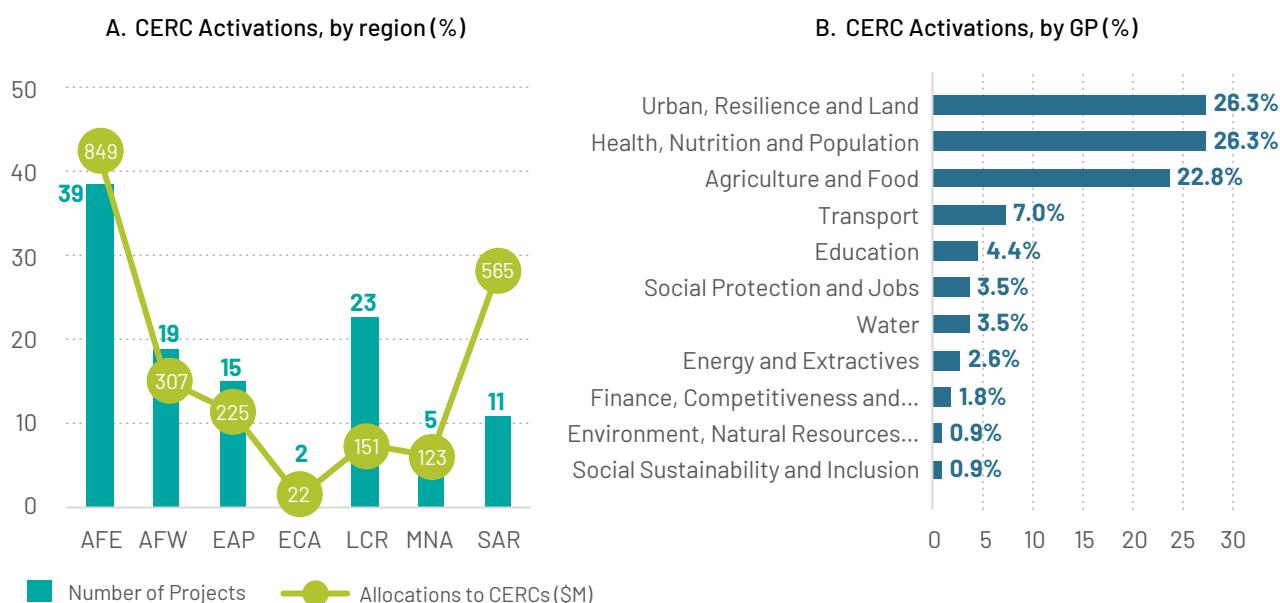
Lessons learned: The Government of Myanmar and task teams required extensive training and preparation support prior to IRM activation and implementation, particularly as it relates to procurement, safeguards, and fiduciary matters. UNOPS was contracted for the procurement, and it took several months for the government and UNOPS to finalize the contract and sign it. This resulted in some goods and equipment being procured 18 months or more after the event and were available only for future disaster response. In such a context, the IDA should consider the use of the more project specific CERC. The Bank procedures limited the IRM to a specific disaster (2015), minimizing opportunities to use goods for disaster prevention and better preparedness. To make the procured items available for use in a subsequent disaster, such as the 2018 floods, the IRM documentation needed to be amended. At the same time, the current design of the tool obliges the Government of Myanmar and the Bank to continue monitoring implementation until the closing of the five projects that provided the IRM funds. Yet these projects have various closing dates beyond the closing date of the Contingent Emergency Response Implementation Plan that activated the IRM.

Source: World Bank (2020).

¹¹The graph indicates IDA-only funding.

The Health, Nutrition, and Population GP and the Urban, Resilience and Land GP had the most CERC activations financed by the IDA (30, or 26 percent), followed by the Agriculture and Food GP (26, or 23 percent), as shown in figure 8B. Based on this finding, it can be concluded that the Health, Nutrition and Population GP had a higher share in CERC activations both in IDA countries and across the Bank. Historically, however, the Urban, Resilience and Land GP has had a much bigger share than the Health Global Practice, but in FY21 due to COVID-19, more funding went toward CERC activations in this GP.

Figure 8. CERC Activations Financed by the IDA, by Region and GP (FY12-23)

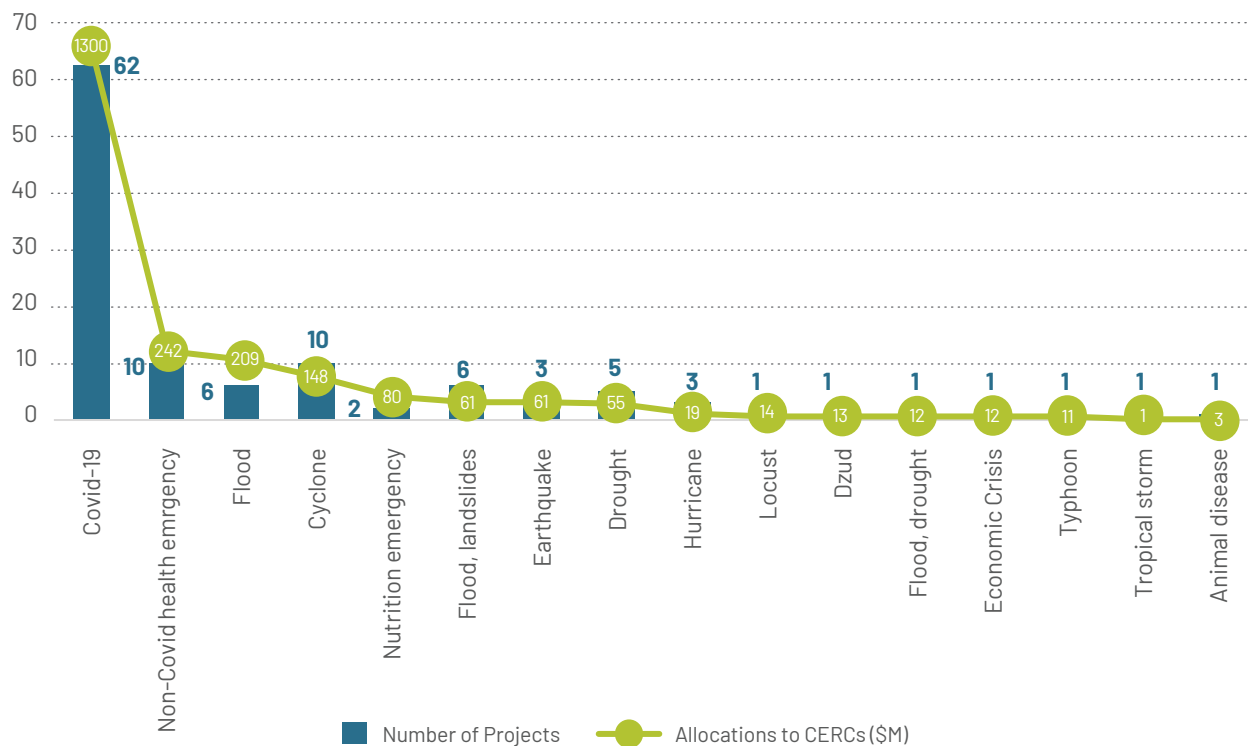


Source: Authors using World Bank data.

In recent years, the IDA has continued to finance the largest share of CERC activations in multiple sectors. In IDA countries, CERCs have been activated to respond to various types of hazards as well as health emergencies. As of June 30, 2023, the IDA has provided US\$1.3 billion (58 percent) of total financing through 62 CERC activations in response to COVID-19, US\$242 million through 10 activations (11 percent) in response to non-COVID health emergencies (for example, Ebola, cholera, Lassa fever, Dzuk, and Dengue), and US\$700 million through 42 activations (31 percent) in response to natural hazards (hurricanes, cyclones, floods, and droughts) and other emergencies (for example, socio-economic crises, locust)

¹² Dzuk is a recurrent disaster in steppe, semi-desert, and desert regions of Mongolia and Central Asia, in which livestock starve to death in large numbers mainly because they cannot graze as a result of climatic conditions like thick snow cover in winter or intense summer drought.

Figure 9. CERC Activations Financed by the IDA, by Emergency Type (FY12-23)



CERCs financed by the IDA have been also activated to respond to health emergencies. The first CERC activation for a health emergency took place under *the Regional Disease Surveillance Systems Enhancement (REDISSE) Phase II Project* in Nigeria. Specifically, the CERC under this project was activated through a US\$2.5 million reallocation to help the Government of Nigeria respond to a Lassa fever outbreak. Following Ebola outbreaks in the Democratic Republic of the Congo (DRC), CERCs were activated within the frame of three projects in response to the crisis. *The DRC Health System Strengthening for Better Maternal and Child Health Results Project* had its CERC activated twice to support the response to the Ebola outbreaks. A CERC was also activated in *the Integrated Public Provision of Health Care Systems Project* in Nicaragua in response to a Dengue outbreak. This was the first CERC activation in response to health emergencies in the Latin America and Caribbean region.

Source: Authors using World Bank data.

In some cases, CERCs were activated in the same project to respond to both non-COVID and COVID related emergencies. For instance, in *the Emergency Health and Nutrition Project* in Yemen, the CERC has been activated three times. In FY17, the CERC was activated in response to nutrition emergencies. The second time CERC was active to finance activities aimed at addressing the immediate and increasing need for cholera treatment and proactive prevention. Following the COVID-19 pandemic, the CERC was triggered for the third time to support

infection prevention and control through the provision of WASH services and supplies to communities and isolation units; fill the gap in support of case management supplies, including personal protective equipment (PPE) in isolation units, polymerase-chain-reaction test kits, and oxygen supply; and ensure the continuity of primary health and nutrition services by sensitizing facility and community health workers, providing them with PPE, and establishing triage at primary health facilities (Coarasa, Jorge A.,2021).

An important trend is incorporating gender-specific outputs and outcomes in CERCs for more inclusive outcomes. Available M&E data show that some progress has been achieved in terms of promoting gender equality in the context of DRM through CERC-related adjustments of the results framework. However, gender-specific indicators have not always been incorporated in this process. This has been particularly the case when teams lacked specific expertise, that is, social development specialists were not involved in CERC design or implementation. This review emphasizes that integrating gender-specific indicators and considerations in CERC activations is crucial for addressing the disproportionate impact of emergencies on women. Examples of CERC outcome indicators relevant to disadvantaged and vulnerable groups are presented in table 1.

During emergencies, the experiences of disadvantaged and vulnerable groups, including Indigenous populations, refugees, displaced persons, and individuals with disabilities, often diverge sharply from those of the general population, exacerbating existing inequalities. Such inequalities are reflected and reproduced in a wide range of aspects of their lives, including human capital endowments, economic opportunities, and voice and agency (Erman et al. 2021). Inequalities faced by disadvantaged and vulnerable groups negatively impact their resilience—their capacity to cope with and recover from disasters, health emergencies, and other shocks. Therefore, the design of inclusive CERCs should consider how to create and promote greater equality for disadvantaged and vulnerable groups in emergencies. The following examples illustrate the inclusive activities in CERCs:

Nicaragua's Property Rights Strengthening Project: For the CERC activation, the Government prepared the required Emergency Action Plan (EAP), which supported early-recovery activities in the transport and artisanal fisheries sectors and benefited primarily Indigenous Peoples (IPs) and Afro-descendants (ADs) in Nicaragua's Caribbean region. The EAP included the following activities: (i) the rehabilitation of more than 450 kilometers of roads to enable access to essential services and transit of agriculture products; and (ii) the rehabilitation of productive activities in the artisanal fisheries sector, including the replacement or repair of assets such as fishing boats, outboard motors, lobster pots, and fishing equipment (Moreno and Astrid 2021).

Yemen's Emergency Health and Nutrition Project: The consequences of the COVID-19 crisis were catastrophic in a country already struggling with conflict, risk of famine, soaring malnutrition, and communicable diseases. The vulnerable

Table 1. Select CERC Activities and Indicators Related to CERC Activations with Gender Considerations

PROJECT TITLE, EMERGENCY, AND CERC AMOUNT	CERC ACTIVITIES	CERC INDICATORS
Livestock and Dairy Development Project (P161246) , COVID-19, US\$96.2 million	<ul style="list-style-type: none"> • Cash support to livestock farmers • Mass media communication to increase consumer awareness and reduce misconceptions about potential COVID-19 infection of livestock and livestock products • Marketing support to livestock producers 	<ul style="list-style-type: none"> • Number of farmers who benefitted from cash transfer schemes and/or marketing services to enhance farm resilience at the time of COVID-19, of which 20 percent were female
Somalia Urban Resilience Project II (P170922) , drought, US\$20.0 million	<ul style="list-style-type: none"> • Providing support on housing, land, and property, and basic services (water, sanitation, and hygiene [WASH] and/or health) in Mogadishu, Baidoa, and Garowe which are already seeing a large inflow of internally displaced persons (IDPs) triggered by the ongoing drought 	<ul style="list-style-type: none"> • Number of beneficiaries reached under the CERC activities (percentage of females, percentage of IDPs, and percentage of host communities)
Strengthening DRM and Climate Resilience Project (P165870) , earthquake, US\$ 11.1 million	<ul style="list-style-type: none"> • Rehabilitating earthquake-affected Emergency Operations Centers of the Dirección General de Protección Civil or General Directorate for Civil Protection (DGPC), as well as schools with multifunctional emergency shelters • Strengthening the DGPC's operational capacities at the national and departmental levels for the coordination, preparedness, response, and management of evacuation shelters • Supporting the institutional strengthening of the Housing and Public Buildings Construction Unit (UCLBP), technical studies, and communication • Providing hands-on training based on the technical guidelines to masons and other workers on improved local techniques for earthquake 	<ul style="list-style-type: none"> • Number of persons with increased knowledge to build climate and seismic resilient rural houses trained by the project, along with a supplement indicator "Percentage of female persons with increased knowledge to build climate and seismic resilient rural houses trained by the project (Percentage, target: 10 percent)" • Number of hands-on training sessions for workers in the housing sector completed (Number) • Number of rehabilitated DGPC's Emergency Operation Centers by the project (number)

Source: Authors based on project documentation.

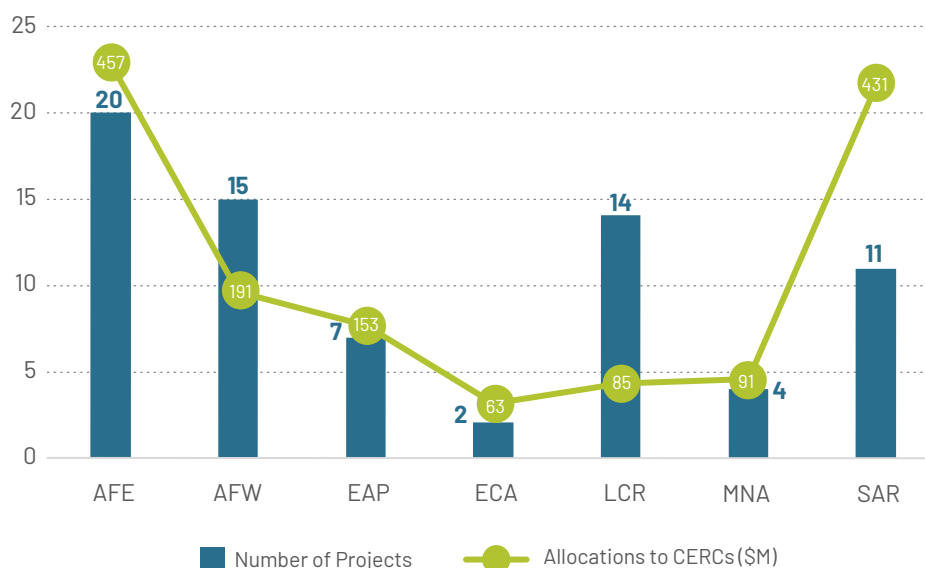
population in Yemen, such as the elderly, internally displaced persons (many of whom are women), and refugees, are at a particularly high risk of being infected and developing severe to critical symptoms. The CERC was activated to provide additional support for a COVID-19 response with a focus on vulnerable groups. Specifically, in 2020, the CERC was activated for the third time to support health, and WASH needs in response to the COVID-19 crisis in the country. Among other things, the CERC activities included operationalizing the water and sanitation systems and providing WASH supplies (for example, hygiene kits) to support IDPs (Coarasa 2021).

3.2 CONTINGENT EMERGENCY RESPONSE COMPONENT (CERC) ACTIVATIONS IN RESPONSE TO COVID-19

In response to COVID-19, between FY20 and FY23, 73 CERCs were activated, totaling US\$1.5 billion (figure 10). In addition, 10 CERCs were activated for non-COVID health emergencies, including Ebola, Cholera, Lassa fever, and Dengue outbreaks. Allocation to the CERCs to respond to COVID-19 varied across the countries, ranging from US\$100,108 (Honduras, Disaster Risk Management Project) to US\$165.8 million (Bangladesh, Cash Transfer Modernization Project). AFE had the largest allocation to CERCs (27.4 percent of the total), followed by AFW (20.6 percent) and LCR (19.2 percent).

Figure 10. CERC Activations in Response to COVID-19, by Region (FY20–23)

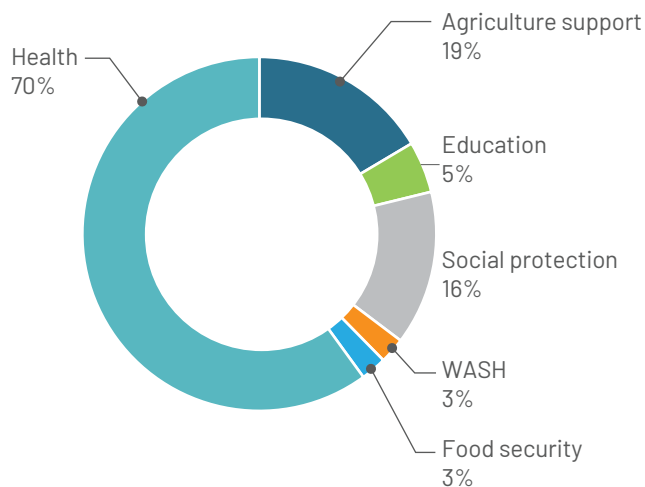
Source: Authors using World Bank data.



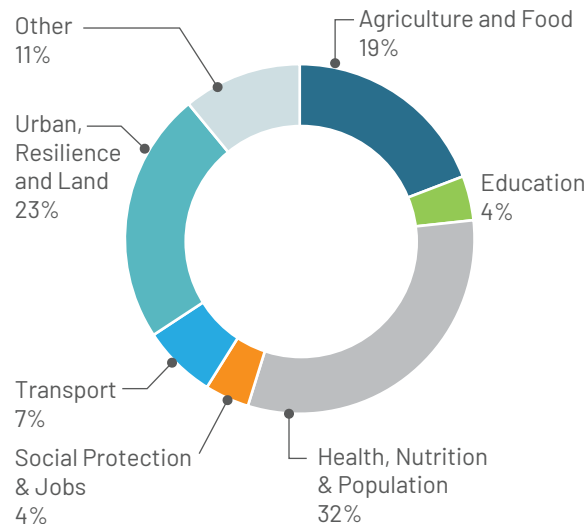
CERCs to respond to COVID-19 were used to finance the procurement of services, goods, and activities in several areas, including public health, agriculture support, social protection, education, food security, and WASH (see figure 11). The vast majority of COVID-19 CERCs were used to finance health-related expenditures, including capacity building for disease prevention, community-based surveillance, home visits, and contact tracing, establishing COVID-19 hotlines, and procurement of medical supplies, such as protective equipment, ventilators, defibrillators, and so on. In Haiti, for example, a CERC was used to support the distribution of cash transfers to vulnerable populations in nine municipalities. In Saint Lucia, the CERC was used to equip an isolation and respiratory hospital, as well as frontline and quarantine facilities. In another example, in Liberia, the CERC financed the purchase and distribution of health and hygiene kits to ensure the safety of students, teachers, and staff. In some cases, CERCs were used with additional support from the Crisis Risk Financing (CRF) window.

Figure 11. COVID-Related CERC Activations, by Expenditure Type and GP (FY20–23)

A. COVID-Related CERC Activations, by Type (%)



B. COVID-Related CERC Activations, by GP (%)



CERCs helped World Bank country programs to provide resources to governments rapidly and flexibly in the early months of the COVID-19 response. Based on an Independent Evaluation Group (IEG) estimate, about 65 percent of countries had CERCs in their portfolios in the 15 months leading up to COVID-19, 22 percent of them having a high share of CERCs (World Bank 2022b). Case studies conducted by the IEG found that multiple CERCs in a variety of sector projects provided flexibility to manage resources across the portfolio, but few World Bank country programs had planned CERCs (World Bank 2022b). Innovations in the design of CERCs, such as supporting local government responses, have the potential to enhance their effectiveness in crises (World Bank 2022b). A notable example is the CERC Pool activation in Sri Lanka, which demonstrates how the Bank can swiftly assist countries in improving disaster responsiveness and supporting affected populations during emergencies. In this instance, CERC resources from multiple ongoing projects were pooled to finance a single emergency action plan under a central coordination agency, the Department of National Planning. This portfolio-level response can streamline CERC documentation and readiness, addressing concerns that the original CERC design, which activates at the project level, may be fragmented. The Sri Lanka CERC Pool activation, highlighted in Box 3 of the report, exemplifies a more strategic and cohesive approach to emergency response. This approach aligns with the principles of RRO-CERP under the CPRT and was aimed at simplifying documentation by encouraging the preparation of CERC documents, such as the CERC Manual and Environmental and Social Management Framework (ESMF), at the country level rather than the project level. While this approach had its advantages, it also faced challenges. The Contingent Emergency Response Project (CERP) linked to the Rapid Response Option has been developed based on lessons learned from CERCs, including the experience in Sri Lanka. CERCs are expected to complement the CERP, focusing on activities beyond the positive list included in the CERP and providing more sector-specific support.

Source: Authors using World Bank data.

Box 3. Sri Lanka CERC Pool to Respond to COVID-19 through a Multi-Sector Approach Incorporating DRM

In 2021, the Bank reallocated US\$56 million from projects into a CERC Pool funding for COVID-19-affected sectors including agriculture, education, ICT, transport, and disaster risk management.

- **Agriculture and food security:** A total of US\$18.6 million was earmarked to support agriculture and food security needs. The CERC Pool supported the construction of 104 crop storage facilities for small-scale farmers, who also received high-quality seeds to support their livelihoods despite pandemic disruptions.
- **Education:** The CERC Pool was also used to increase water and sanitation services in schools to improve daily disinfection and cleaning protocols. CERC funds were used to support online education and to provide catch-up and remedial education, which has become increasingly important as school closures drag on due to the third COVID-19 wave.
- **Digital Development:** The US\$5.95 million ICT component was aimed at improving digital infrastructure to allow government officials to work efficiently from home. The CERC activities are part of a broader digital transformation effort to implement a “whole-of-government” approach to improve the delivery of public services and make digitalization the way forward for Sri Lanka.
- **Transport:** The US\$24.2 million allocation from the transport sector was used to implement sanitation and COVID-related social distancing measures on public transport.
- **Disaster Risk Management:** A US\$1.61 million allocation within the CERC Pool supported flood response activities, including setting up centers to provide shelter to displaced persons from seasonal monsoon-related flooding, and purchasing folding field beds, thermometers, first-aid kits, PPE, power banks, cleaning equipment, and ration packs.

Source: World Bank (2021).

3.3 CONTINGENT EMERGENCY RESPONSE COMPONENT (CERC) ACTIVATIONS IN RESPONSE TO NATURAL HAZARDS

Between FY12 and FY23, 48 CERCs were activated in response to natural hazards¹³. Overall, a total of US\$822 million was allocated to these categories (see

¹³ Please note that there are not currently systems or databases in place in the Bank systems to track CERC activations. To collect data on CERC activations the team relied on screening of the restructuring papers and information received from the task teams.

figure 12). The highest numbers (15 CERCs) were activated in AFE and LCR, with a total allocation of US\$219 million and US\$148 million, respectively. The highest number of CERC activations in response to natural hazards was observed in Urban, Resilience, and Land Global Practice (GP) (19), followed by Agriculture and Food (11) and Health, Nutrition and Population GP (6).

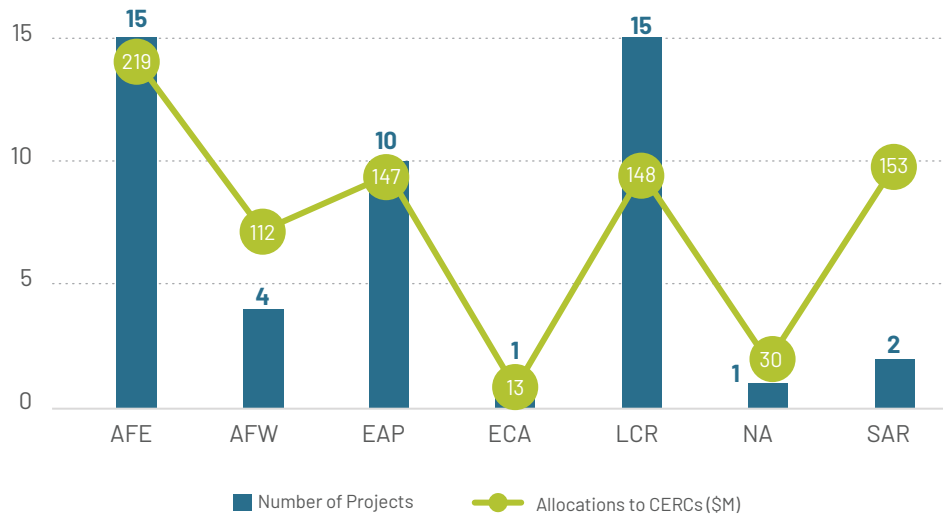


Figure 12. CERC Activations and Allocated Amounts in Response to Natural Hazards, by Region (FY12-23)

Source: Authors using World Bank data.

CERC activations included various types of disasters and emergencies. Out of 48 CERC activations in response to disasters caused by natural hazards, the highest number of activations responded to cyclones, hurricanes or typhoons (14); followed by floods (13) and drought (9), as shown in figure 13.

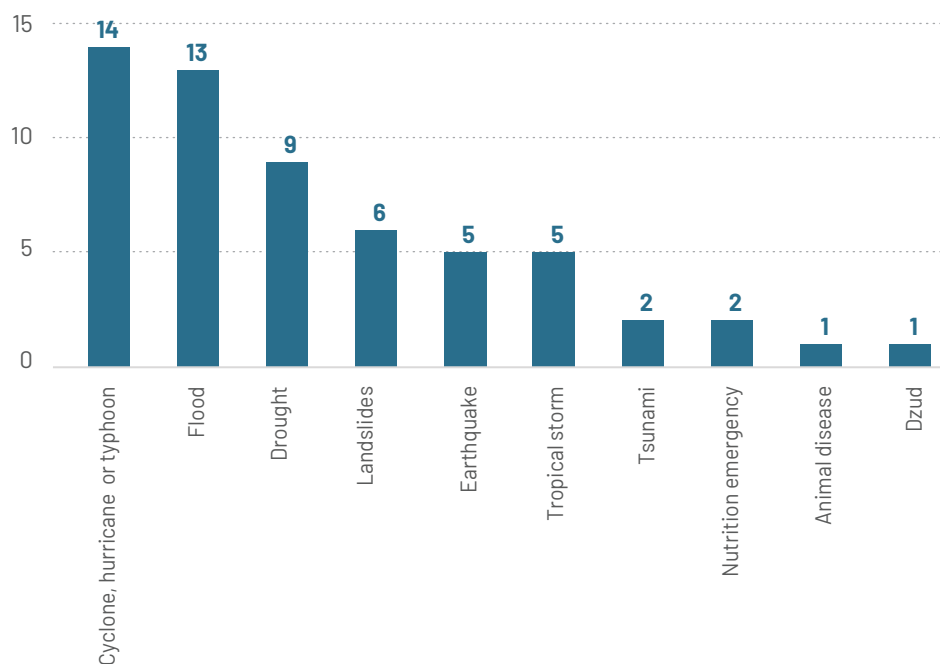


Figure 13. CERC Activations in Response to Natural Hazards, by Emergency Type (FY12-23)

Source: Authors using World Bank data.

In some cases, CERCs have been activated more than once in the same project.

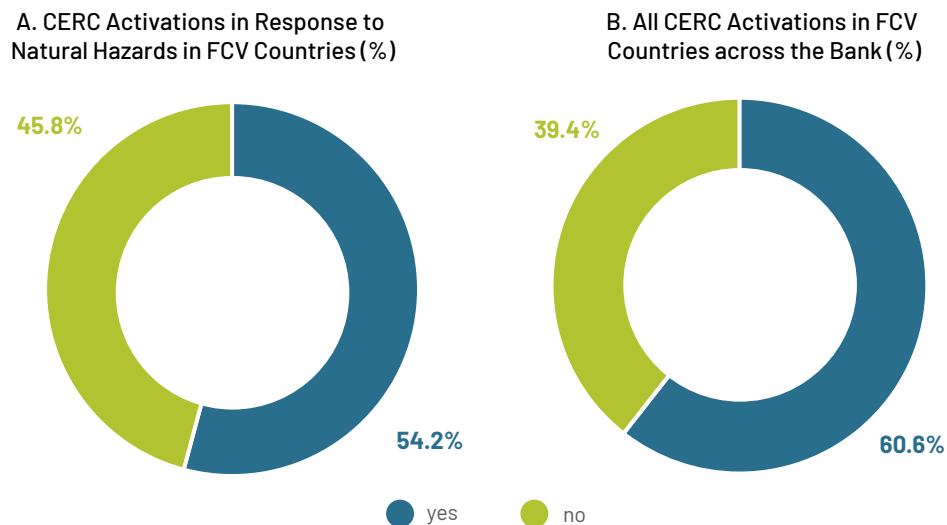
For instance, in the *Disaster Vulnerability Reduction Program for Dominica*, the CERC was activated twice. In FY16, it was triggered following Tropical Storm Erika with US\$1 million funds directed toward cleanup emergency activities and the rapid procurement of emergency goods. In FY18, following Hurricane Maria in September 2017, a second CERC, for US\$7 million, was triggered to provide a cash transfer program in line with the government’s request to provide urgent assistance to farmers (see box 4).

Importantly, a significant number of CERCs to respond to disasters caused by natural hazards were activated in fragile, conflict-affected, or violence-affected (FCV) countries.

Specifically, out of 48 CERC activations in response to disasters caused by natural hazards, 22 (46 percent) of activations took place in an FCV context (figure 14A). In comparison, among all CERC activations, the percentage of FCV countries was lower—39 percent (figure 14B).

Figure 14. CERC Activations in FCV countries (FY12–23)

Source: Authors using World Bank data.



CERC has been a pivotal mechanism for rapid emergency financing in fragile and conflict-affected states, enabling swift reallocation of funds as evidenced by its activations in countries like Haiti, Niger, and Myanmar.

In Haiti, for example, following the 7.2 magnitude earthquake in 2021, three CERCs were activated as part of the overall World Bank response to the crisis. Within the *Strengthening DRM and Climate Resilience Project*, the CERC funds were used to: (i) rehabilitating and improving earthquake-affected Emergency Operations Centers (EOC) of the Directorate of Civil Protection (DGPC)—three at the departmental level and five at the communal level—as well as constructing multifunctional emergency shelters at three schools; (ii) strengthening DGPC’s operational capacities at the national and departmental levels for coordination, preparedness, and response, particularly in the South; and (iii) supporting the institutional strengthening of the Housing and Public Buildings Construction Unit (UCLBP) through studies

Box 4. Insights into CERC Activations in the SIDS Context: The Case of Belize

The CERC activation within *the Climate Resilient Infrastructure project* helped the Government of Belize to address the urgent needs of vulnerable households and small farmers that were exacerbated by the COVID-19 pandemic. Specifically, it allowed funds to be reallocated from existing projects to address the combined impact of a two-year drought and the pandemic. This support, however, did not come at the expense of the core project's objective of promoting climate resilience.

Without losing sight of the project agenda, the team pivoted to providing financial and management support to the Building Opportunities for Our Social Transformation (BOOST) scheme—the flagship social assistance program of the Ministry of Human Development, Families and Indigenous Peoples' Affairs—and the Belize COVID-19 Cash Transfer Program (BCCAT). Triggering the CERC upon the government's request, close to US\$20 million in cash transfers was channeled to 21,500 vulnerable households and small-scale farmers in the country. Under the BOOST scheme, cash assistance was provided to existing beneficiaries—who are among the poorest households in Belize—for 14 months. BCCAT, a temporary cash transfer program introduced during the pandemic to assist vulnerable households not registered under existing social assistance schemes, provided cash relief for six months to eligible applicants.

Lessons learned

1. The emergence of unanticipated needs from the CERC triggering event do not imply that the focus on the project agenda has been lost

Although CERC financing was used to fund the BOOST and BCCAT schemes amid the pandemic, the Government of Belize did not lose sight of the original project agenda of boosting climate resilience in the transport sector. For those reasons, an alternative source of financing was secured by the national government and execution of the civil works was initiated in 2023—a reflection of the independent positive evaluation of the technical work that was initially financed by the Bank.

2. Strategic partnerships are key to managing compounded crises

The partnership between the public and private sectors was effective in making the implementation of the cash transfer programs more attuned to recipients' realities, and in making the delivery of funds nimble and efficient.

3. Centering on the community's needs is vital

Through a mobile payments solution that easily lets recipients access their funds through their phones or a unique code, the Government of Belize removed barriers that might have hindered vulnerable households from cashing out assistance as quickly as possible.

4. The most vulnerable should be prioritized

By reaching communities not currently supported by social assistance programs and prioritizing households with pregnant women, children, the elderly, or persons living with physical disabilities, the government ensured that the implementation of the BCCAT program was inclusive.

Sources: Pedroso, F. 2021. Addressing Compounded Crises in Belize; survey responses, and insights from an interview with the project TTL.

and hands-on training (“chantier-écoles”) on Locally Improved Construction Techniques (TCLA) for masons and workers on improved local techniques for earthquake and hurricane-proofing housing (**Naraya Carrasco.2023.**)

Within another project—the *Haiti Rural Accessibility & Resilience Project*, the CERC funds were used to respond to extensive damage to transport infrastructure by restoring accessibility and rural connectivity, repairing and clearing critical segments of the road network; constructing an emergency bridge; supporting building assessment activities by Haiti’s Technical Building Office; and supporting the rehabilitation of the irrigation canal and water supply systems in affected areas (*Haiti - Rural Accessibility and Resilience Project : Additional Financing (English)*).

Finally, within *the Strengthening Primary Health Care and Surveillance in Haiti Project*, CERC funds were used to restore access to health services in the three affected departments by focusing on (i) reconstructing destroyed health infrastructure (including clearing unsafe remaining infrastructure); (ii) rehabilitating damaged health infrastructure; (iii) providing equipment and supplies to reconstructed and rehabilitated health infrastructure; and (iv) supporting the coordination of all stakeholders involved in the reconstruction activities in the sector (*Haiti - Strengthening Primary Health Care and Surveillance Project : Additional Financing (English)*).

In Niger, within *the Agricultural and Livestock Transformation Project*, the unprecedented July to October 2020 floods led to the CERC activation under the Immediate Response Mechanism (IRM CERC), which was used for direct emergency assistance to flood disaster affected people by providing household kits and hygiene packages, resettlement of affected people to land identified by the Government, provision of seeds and animals to farmers and reconstruction/rehabilitation of flood-damaged infrastructure.

Finally, in Myanmar, CERC was vital in *the National Electrification Project; the Ayeyarwady Integrated River Basin Management Project; Myanmar - Agricultural Development Support Project; the Essential Health Services Access Project; and the Myanmar Flood and Landslide Emergency Recovery Project*. The CERC component was activated as part of the IDA’s support to an IRM to provide immediate and emergency recovery support for six of the country’s states and regions affected by the 2015 floods and landslides. The procurement and distribution of goods, supported by the United Nations Office for Project Services (UNOPS), was completed in September 2018. IRM funding sourced from these five IDA projects totaled US\$54 million—including \$13.755 million from *the National Electrification Project (NEP)*—to purchase critical machinery and equipment, production inputs, machinery, and other required materials and goods. The results included the establishment of EOCs with improved resources, including speed boats, vehicles, and bailey bridges used to support emergency response during the floods of 2018. Similarly, IRM funding has mobilized road repair machinery, water pumps, weather forecasting, and meteorological equipment during recent disasters (ICR). An important contribution was the enhanced disaster risk management

(DRM) capacity and increased collaboration of Government officials at union, state, and regional levels on DRM and in using goods during emergencies.

The following challenges and lessons were derived from the analysis of CERC activations in FCV countries:

1. **Limited capacity and ground presence:** FCV countries often face limitations in physical security, availability of data, and low levels of citizen trust and government legitimacy. These challenges can hinder the activation of CERC activities because they may require on-the-ground presence and coordination, which can be difficult in FCV contexts.
2. **Weaker institutional frameworks:** The legal and institutional structures for addressing disaster risks in FCV settings are often underdeveloped, limiting operational readiness and business continuity. This further complicates the activation of CERC activities, as effective disaster response relies on robust institutional support.
3. **Slow interagency coordination:** Coordination challenges between development partners and government agencies can lead to delays in the implementation of CERC activities since coordination is essential for prompt and effective response to emergencies.
4. **Procurement challenges:** The procurement of goods and services may take longer in FCV contexts and can impact the timely implementation of CERC activities. Engaging third-party implementers like the UNOPS or the World Food Program (WFP) can be effective. This approach can help overcome procurement challenges and ensure that emergency response activities are carried out efficiently. In addition, adopting flexible procurement modalities can significantly reduce delays.
5. **Flexibility and agility:** Flexibility and agility are vital for responding to emerging demands in FCV countries. The ability to adapt quickly to changing circumstances and needs is essential for the effective activation of CERC activities in such challenging environments.
6. **Limited effectiveness as an emergency response tool:** In some cases, CERCs in FCV countries have shown limited effectiveness as an emergency response tool. CERCs may be slow to activate and access due to delays in processing of necessary documents, which highlights the need for greater flexibility in the preparation and approval of these documents¹⁴ as well capacity building support to countries to be ready to activate CERCs.
7. **Government-NGO Collaboration for Effective Emergency Response:** The structured and collaborative Government-NGO model, with strong leadership and aligned procedures, proved to be an effective approach for

¹⁴ [Honduras – Disaster Risk Management Project \(English\)](#)

emergency response. It facilitated streamlined collaboration, consistency, and compliance across multiple implementing agencies, ensuring successful project outcomes. For example, for the first time, Somalia, during CERC activation and implementation, contracted NGOs to implement a government-led emergency response. This approach leveraged local knowledge, relationships, and capacities in conflict-sensitive dialogue, planning, and management. It included comprehensive assessments, information on community and vulnerable population priorities, and insights into local political economies.

In summary, the challenges and lessons from CERC activations in FCV countries underscore the need for flexible, adaptable, multi-pronged approaches to emergency response. Addressing limitations related to ground presence, interagency coordination, and procurement challenges, and institutional weaknesses, while also prioritizing sustainability, is crucial for enhancing the effectiveness of CERC activities in FCV contexts.

IV. INSIGHTS INTO DESIGN, IMPLEMENTATION, AND GFDRR SUPPORT

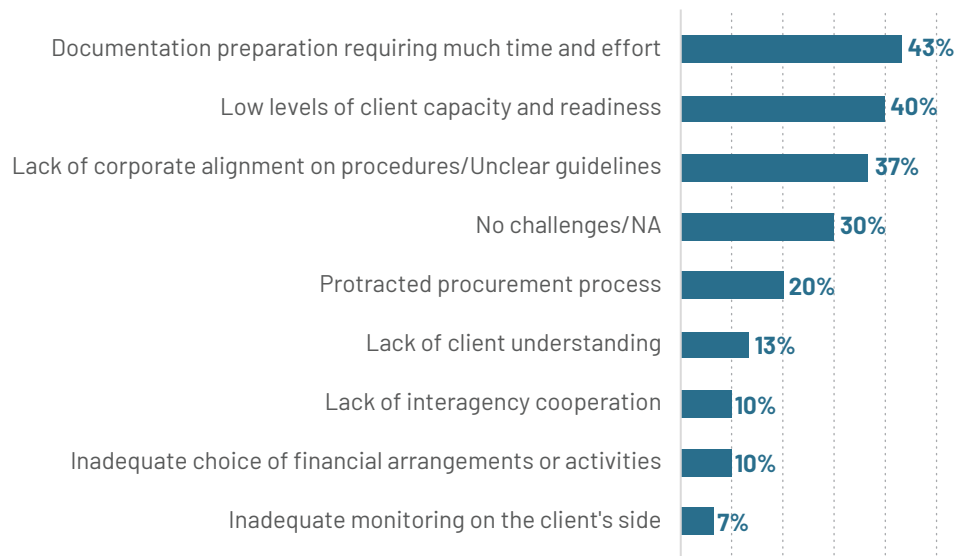


4.1 INSIGHTS INTO CONTINGENT EMERGENCY RESPONSE COMPONENT (CERC) DESIGN AND IMPLEMENTATION¹⁵

Among the challenges encountered in CERC activations and implementation, the surveyed task team leads (TTLs) pointed especially to (1) documentation preparation requiring great time and effort (43 percent of 46 responses), (2) low levels of client capacity and readiness (40 percent), (3) a lack of corporate alignment procedures and unclear guidelines, particularly related to expenditures (37 percent), (4) a protracted procurement process (20 percent), and (5) clients' lack of understanding of how the tool can be used during the emergency response (13 percent). Some TTLs mentioned more than one constraint. On the other hand, 30 percent of respondents indicated that there were no serious challenges to CERC activations and their implementation (figure 15).

Figure 15. Major Challenges to CERC Activations and Implementation (multiple responses possible)

Source: Survey responses to question 11: "What are some challenges you faced while using the CERC tool?" (n=46).



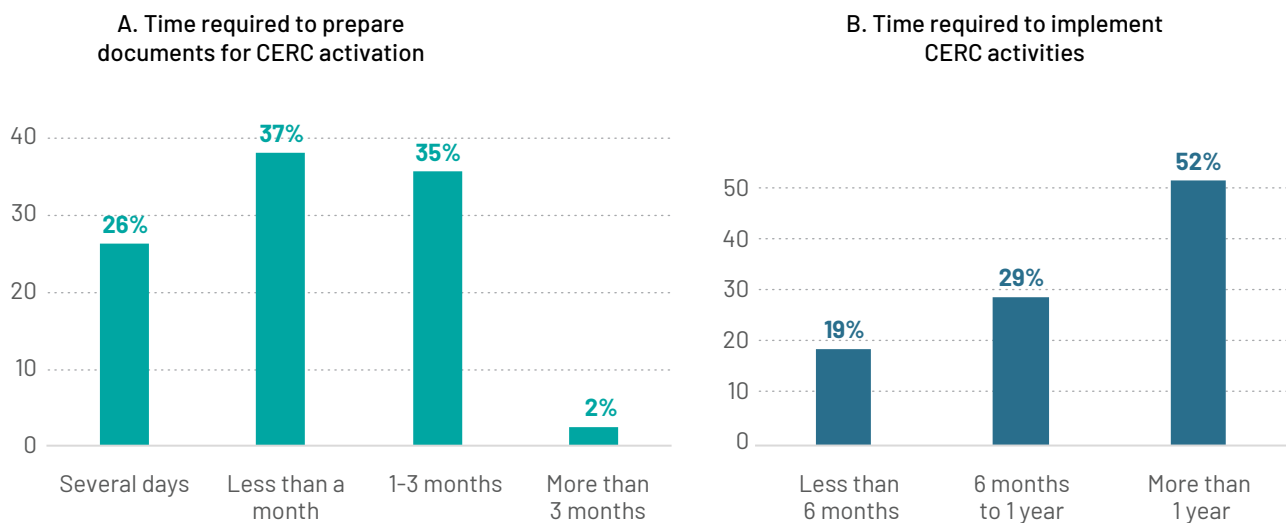
Despite these challenges, the vast majority of the TTLs surveyed (89 percent) assessed CERCs as a useful tool for crisis preparedness and response. The respondents pointed to good examples of activations such as the Cambodia Health Equity and Quality Improvement Project. Following the government's request on March 23, 2020, it took just four working days (March 27) for the Bank to inform Cambodia that the IDA had accepted the request and reallocated SDR10.5 million (equivalent to US\$14.2 million) from other components for CERC.

¹⁵ This section is based on focus group discussions, a survey, interviews with TTLs, and a review of ICRs of closed projects with CERC activations.

Overall, more than a quarter of the respondents (26 percent) said that the preparation of documents for CERC activations took no longer than several days; 37 percent said they spent more than several days but less than one month (figure 16a); but one-third (35 percent) said that CERC document preparation took them more than 3 months.

As for the implementation of CERC activities, most survey respondents (52 percent) indicated that it took more than a year, while 19 percent and 29 percent of TTLs indicated the periods of less than 6 months and from 6 to 12 months, respectively (figure 16b).

Figure 16. Time Required to Prepare Documents for CERC Activations and Implement CERC Activities



A review of the Implementation and Completion Reports (ICRs) of closed projects provides good examples of CERC activations. For instance, the CERC activation under the *Western Indonesia National Roads Improvement Project* was effective because (i) the activities supported under that Component were agreed early in the post-disaster recovery program; (ii) the implementing agency of the activities was the same as that for the other project activities, ensuring efficient institutional arrangements; and (iii) supplements to the Project Management Manual, the Project Implementation Plan, the Environmental and Social Management Framework (ESMF), and the Land Acquisition and Resettlement Policy Framework were prepared swiftly to cover the fiduciary and safeguard aspects of the new road rehabilitation and reconstruction activities (World Bank 2021a).

Another good example is the *Climate Resilient Infrastructure Project* in Belize. The effectiveness of emergency response was enhanced through **pre-disaster capacity-building efforts, including providing support to strengthen the emergency preparedness and response of key ministries before the CERC activation** (World Bank 2022a). This included CERC training conducted for

Source: Survey responses to Question 7 “How much time did it take to prepare the necessary documents for CERC activation once the request was made by the client government?” and to Question 9 “How much time did it take to implement CERC activities?” (n=46).

officials of the Ministry of Finance, the National Emergency Management Office, the Social Investment Fund, and the Project Management Unit (PMU) to help them prepare for the 2017 hurricane season. The ICR of this project also indicates that the design of the CERC could benefit from innovative instruments tools to assess CERC impacts, such as a storytelling exercise to identify the contribution of CERC-funded emergency support to the sustainable recovery of the affected households (World Bank 2022a). These tools could also include semi-structured interviews and environmental portraits of vulnerable households to assess resilience at the household level.

Among other drivers of CERC effectiveness, the ICR highlights having a clear CERC project design, the contracting of a safeguard specialist to support efforts to build the capacities of agencies involved in CERC activities, and the use of a multisectoral implementation agency with experience in managing donor-funded projects involving multiple ministries, government institutions, and private sector partners for emergency response. Other insights into effective CERC design and preparation are provided in box six. Annex 4 also contains a list of insights about implementation culled from the ICR review.

Notably, survey respondents and focus group participants stated that World Bank teams could be much more proactive and strategic in identifying potential bureaucratic challenges in advance to prevent institutional bottlenecks. This is particularly important for FCV countries experiencing high political and social turmoil that result in delays and financial access issues. These risks should be carefully considered at the CERC preparation stage, and the related mechanisms should be built into the CERC design in these countries in advance of CERC activations. Additionally, a focus group discussion provided evidence that the use of CERCs as a tool for crisis preparedness and response could be significantly improved through a thorough in-depth assessment of lessons from CERC activations, followed by dissemination of these findings among World Bank task teams.

Box 5. Insights into CERC Design and Preparation

Interviews, a survey, and a focus group discussion with TTLs conducted in February–March 2024 provided the following insights into the design and preparation of CERCs:

1. It is necessary to provide government agencies and other stakeholders with training on CERCs before CERC activations that focus on enhancing institutional mechanisms and capacities to activate and implement the CERC. It is also important to work with ministries on maintaining an up-to-date registry and list of pre-qualified suppliers and contractors.
2. The CERC preparation stage should ensure an agreement on eligible expenditures and activities, efficient institutional arrangements in terms of coordinating and implementing agencies, and supplemental documentation covering fiduciary and safeguard aspects.
3. Adequate indicators should align with CERC activities included in the EAP that inform about CERC beneficiaries and impacts in an emergency.
4. Potential bureaucratic bottlenecks associated with the CERC process should be reviewed and resolved in advance to hasten decision-making and approvals.
5. CERCs should be designed based on recent assessments of projects with CERC activations, and the lessons learned from them, and incorporate an adaptive learning approach into the entire project cycle, including CERC components.
6. A careful design of coordination arrangements in the case of several implementing agencies is critical for avoiding complex and time-consuming management.
7. Incorporating community-led approaches into CERCs should be based on a structured approach.
8. To ensure that there are adequate controls over the use of funds, the preparation of CERC manuals should be based on a clear project design, accurately defined eligible expenditures, beneficiary eligibility criteria, and enhanced fiduciary arrangements.

4.2 ANALYSIS OF GFDRR GRANTS SUPPORTING CONTINGENT EMERGENCY RESPONSE COMPONENT (CERC)¹⁶

The GFDRR¹⁷ has been instrumental in supporting the implementation and activation of the CERC in various countries. The GFDRR has provided technical

¹⁶ This section is based on an analysis of data derived from the GFDRR M&E database that contain information about grants and their activities, including those related to CERCs. Among 69 GFDRR grants that were identified as providing support for CERCs either entirely or partially, 9 grants are dedicated exclusively to CERC support, while the rest of them include CERC-related activities within a broader set of activities. This part of the report provides a detailed analysis and examples of these categories of GFDRR grants. The grants totaled an estimated US\$39.7 million. Since the database does not capture the costs of CERC-related activities, financial and other data are presented at the grant level.

¹⁷ The Global Facility of Disaster Risk Reduction is the Umbrella Trust Fund managed by the Global Unit for Disaster and Climate Risk management.

support to World Bank task teams, enhancing the capacity of regional teams through a series of capacity-building activities. In collaboration with the Operations Policy and Country Services (OPCS), the GFDRR has organized “brown-bag lunches”, regional workshops, and training sessions designed to prepare for and activate CERCs.

These initiatives have been critical in equipping task teams with the skills and knowledge to effectively manage CERC activations. To further support these efforts, the GFDRR has developed and disseminated a range of knowledge tools and informational materials accessible through a well-maintained website, and a repository of documents that serve as valuable references for task teams during both the preparation and activation phases of CERC.

The GFDRR’s support has not been limited to natural hazard scenarios; the facility has also provided assistance during health emergencies, such as the COVID-19 pandemic, showcasing the adaptability of its support mechanisms to different types of crises.

Moreover, the GFDRR has offered task teams just-in-time grants up to US\$30,000 each, intended to provide immediate financial assistance during the critical stages of CERC preparation and activation, allowing teams to address urgent needs and kickstart emergency response activities promptly.

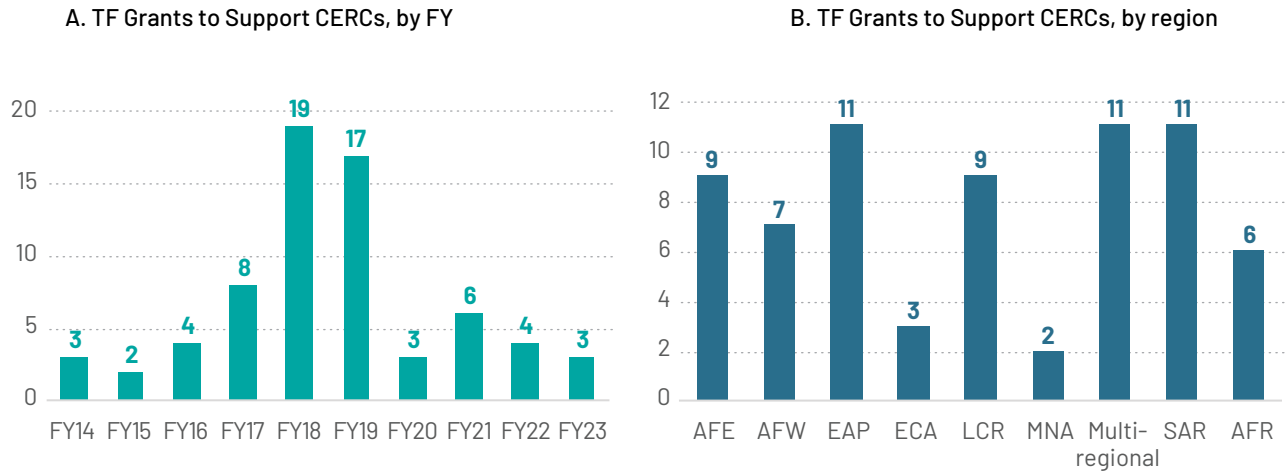
The CERC dashboard, another GFDRR initiative, has proven to be a valuable tool for task teams. It facilitates the efficient tracking of the CERC portfolio and activations, offering a clear overview of ongoing and completed emergency responses. The dashboard’s effectiveness is evidenced by its usage; over 1,000 views in two years indicate its importance to the teams involved in CERC activations.

In summary, the GFDRR’s comprehensive approach to supporting CERC activations—through technical assistance, capacity-building initiatives, knowledge dissemination, financial support, and the development of practical tools—has significantly bolstered the Bank’s capacity to respond swiftly and effectively to emergencies in a variety of contexts.

To support CERCs, the GFDRR provided 69 grants in FY14–23 (figure 17A).

As of June 30, 2023, the largest share of grants used to support CERCs is in the Africa region (22), including AFE (9) and AFW (7), as shown in figure 17B. Africa is followed by grants that focus on EAP (11), SAR (11), and multiregional initiatives (11). The four countries with the highest number of grants were Bangladesh (3), Myanmar (3), Haiti (3), and Sri Lanka (3).

Figure 17. GFDRR Grants to Support CERCs, by FY and Region (FY14–23)



The Urban, Resilience, and Land GP, as a unit, was responsible for the largest number of projects linked to grants supporting CERCs (59). Other GPs included Social Protection and Jobs (3), Water (2), Climate Change (1), Social Sustainability and Inclusion (1), Energy and Extractives (1), Agriculture and Food (1), and Health, Nutrition and Population (1), as shown in figure 18.

Source: Authors using GFDRR data.

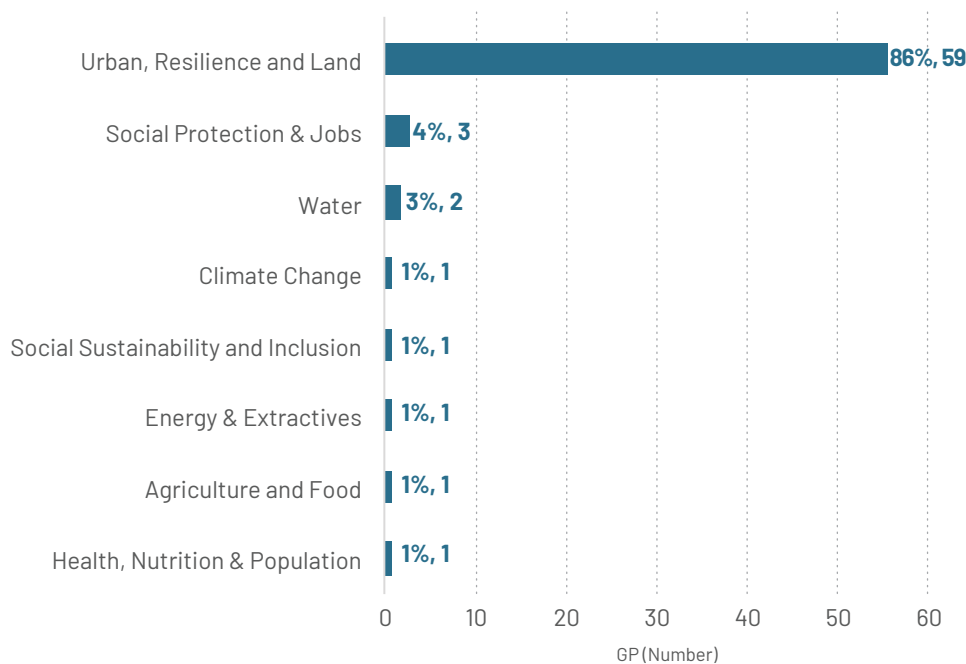


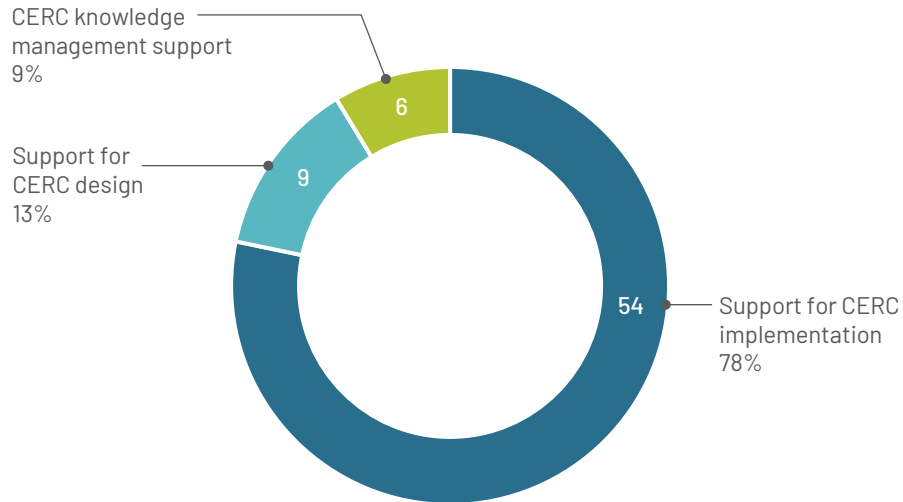
Figure 18. Grants Supporting CERCs, by GP (% and number) (FY14–23)

Source: Authors using GFDRR data.

Grants to support CERCs were used to finance different kinds of CERC-related activities (see figure 19). Most were used to support CERC implementation (54, or 78 percent), including CERC-related resilient recovery activities. Examples include *the Enhancing Operation Capacity of the Contingent Emergency Response Components in Sri Lanka, the Support to Operationalize Contingent Emergency Response Components (CERCs) in the Maldives, and the Support to Operationalize Contingent Emergency Response Components (CERCs) in Cambodia, the Lao People’s Democratic Republic, and Myanmar.*

Figure 19. GFDRR Grants, by CERC Support Type (% and number), (FY14-23)

Source: Authors using GFDRR Data.



In addition, 9 of the 69 grants (13%) were used to support the CERC design.

For example, *the GFDRR MDTF for the Togo Infrastructure and Urban Development Project grant* was used to support the preparation of the CERC Operations Manual. The grant also supported the training of all World Bank project coordinators in Togo on the manual, together with the validation workshop of the manual. The grant contributed to increasing the project’s implementation efficiency with detailed and transparent guidance on the operating procedures of CERC in the Project Implementation Manual. In Suriname, *the Paramaribo Climate Resilience Flood Management Technical Assistance grant* financed, among other activities, the preparation of the CERC Environment and Social Management Framework, which was a legal requirement under the project Loan Agreement required to activate the use of emergency funds allocated under the CERC. In another example, in Yemen, the grant financed the design of the CERC component for *the Yemen Integrated Urban Services Emergency Project.*

Finally, 6 of the 69 grants were used to support CERC knowledge management, including promoting the use of CERCs. Examples of grants supporting CERC knowledge management are provided in box 6.

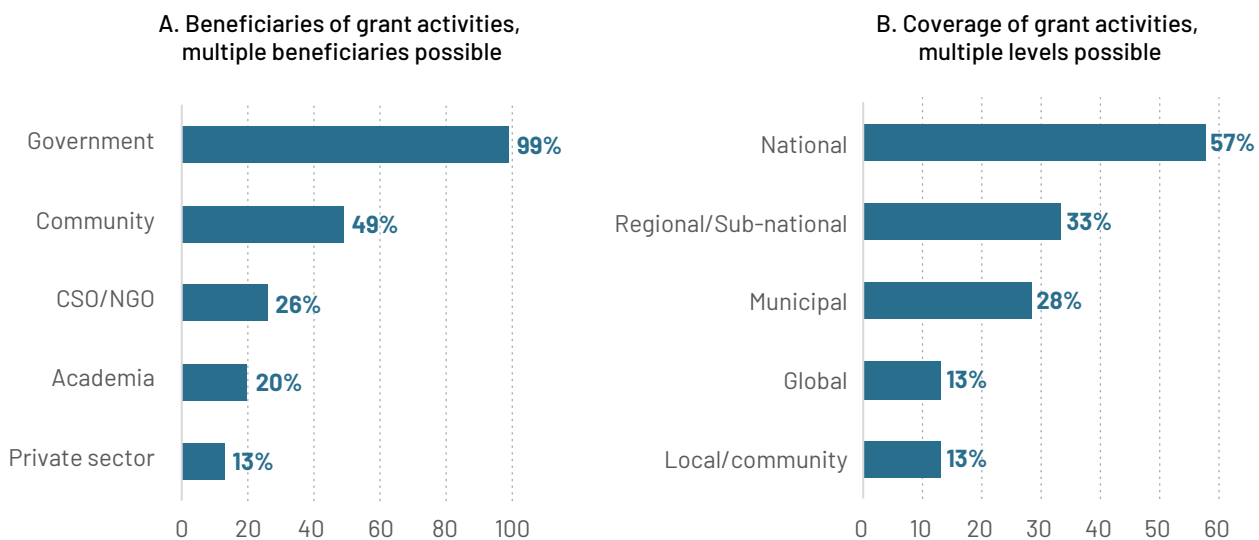
Box 6. Examples of Grants Supporting CERC Knowledge Management

- *Promoting Contingent Financing in IPFs:* A total of US\$400,000 was earmarked to promote the use of contingent financing mechanisms such as CERCs in the Bank Group’s investment financing from FY16 to FY19. This activity aimed to i) draw lessons on the use of the Group’s contingent financing tools, especially the CERC in investment projects; ii) prepare guidance notes on the effective use of contingent components in investment project financing; and iii) provide on-demand capacity building and technical assistance to integrate CERC in World Bank projects. The task team provided support to the different Bank teams based on the draft guidance notes on-demand basis and launched the CERCs training and awareness campaign. Main achievements included increased integration of CERCs in projects and improved contingency planning; enhanced capacity within the Bank to prepare and implement CERCs; and development of knowledge management and communication products to support the use of the CERC.
- *GFDRR Knowledge Management Strategy Design and Execution: Knowledge Comprehensive Approach for Operations and Technical Assistance Projects FY19–20:* A total of US\$600,000 was earmarked to develop timely access to accurate information to document and disseminate best practices and lessons embedded in evidence-based, decision-making methodologies and tools. Among its outcomes, this grant included knowledge management support for CERCs, including improvements to internal knowledge-sharing platforms.
- *Preparedness Planning Program:* To enhance emergency preparedness and response capacities of at-risk countries, this program provided on-demand financing and technical support to governments for the design, development, and/or activation of contingent financing instruments in investment project financing. In FY19, the program focused on developing new knowledge products and analytical work related to CERC. Specifically, the CERC JIT facility awarded 9 grants (US\$240,000). To advance the understanding and use of CERCs in IPFs, the program conducted a series of capacity-building activities resulting in 466 trained World Bank task team members, along with 267 client countries’ participants. Three operational clinics, one “brown-bag lunch” designed for TTLs of IPF lending operations, one technical training on procurement, and 10 capacity-building workshops were delivered for client countries’ participants and World Bank task team members. Also, 361 World Bank task team members and consultants and 147 participants from client countries took part in the CERC capacity-building activities. Besides the capacity-building activities mentioned above, 37 staff members completed the CERC eLearning.

Source: Authors based on World Bank documentation.

Of the beneficiaries of grant activities supporting CERCs, the vast majority were national governments, but almost half of the activities also benefited local communities. In terms of grant activity coverage, most focused on the national level (57 percent), followed by regional/sub-national (33 percent) and municipal levels (28 percent), as shown in figure 20.

Figure 20. Beneficiaries and Coverage of Grants Supporting CERCs (FY14–23)



Note: The data on beneficiaries and coverage are collected at the grant level.

Source: Authors using World Bank data.

Regarding inclusiveness, the vast majority of grants with CERC-related activities (72 percent) included gender analysis. However, less than half incorporated gender-related actions and only a small fraction of them included gender-related indicators to monitor gender gaps in emergencies. Besides gender, most grants included vulnerable groups (68 percent) and incorporated citizen engagement (70 percent).

Over 20 percent of GFDRR grants supporting CERC-related activities were related to FCV countries, while about 12 percent were implemented in SIDS (figure 21). They were used to finance CERC design, CERC Manual/ESMF preparation, CERC resilient recovery activities, and support for triggering CERCs and their implementation. In the CERC preparation category, an example is *the Design of the CERC Component for Yemen Integrated Urban Services Emergency Project*. Another is *the GFDRR MDTF for Togo Infrastructure and Urban Development Project*, which supported the Government of Togo in preparing its CERC Operational manual and training project coordinators on the CERC process. *The Support to Mozambique Post Cyclone Freddy GRADE and Post Disaster Damage Assessment* prepared the GRADE report for Cyclone Freddy, which was used to trigger a CERC amounting to US\$150 million and to support the request for the Crisis Response Window, allowing the addition of US\$200 million to the regional portfolio. *The Building Resiliency to Climate Change through Modernization of Myanmar’s Department*

of *Meteorology and Hydrology (DMH)* grant is an example of CERC-related activities involving the installation of 90 automatic weather stations and 10 automatic water-level recording stations under the CERC/IRM component.

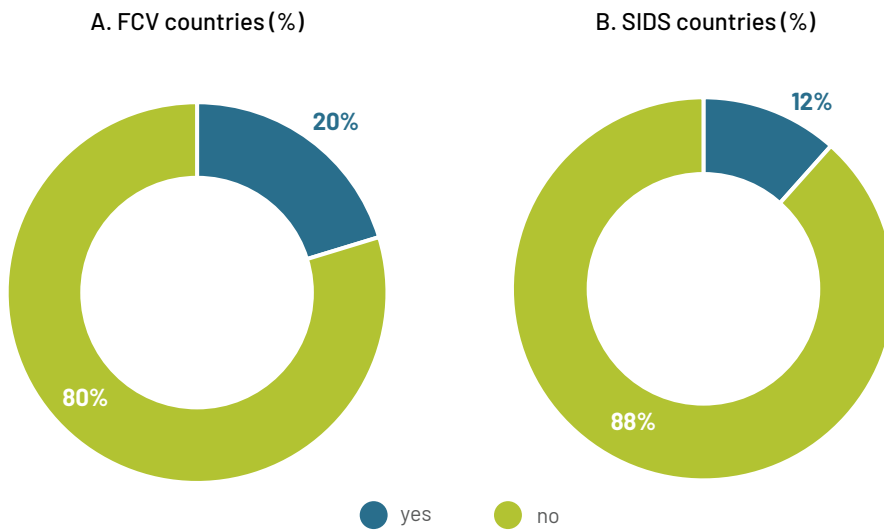
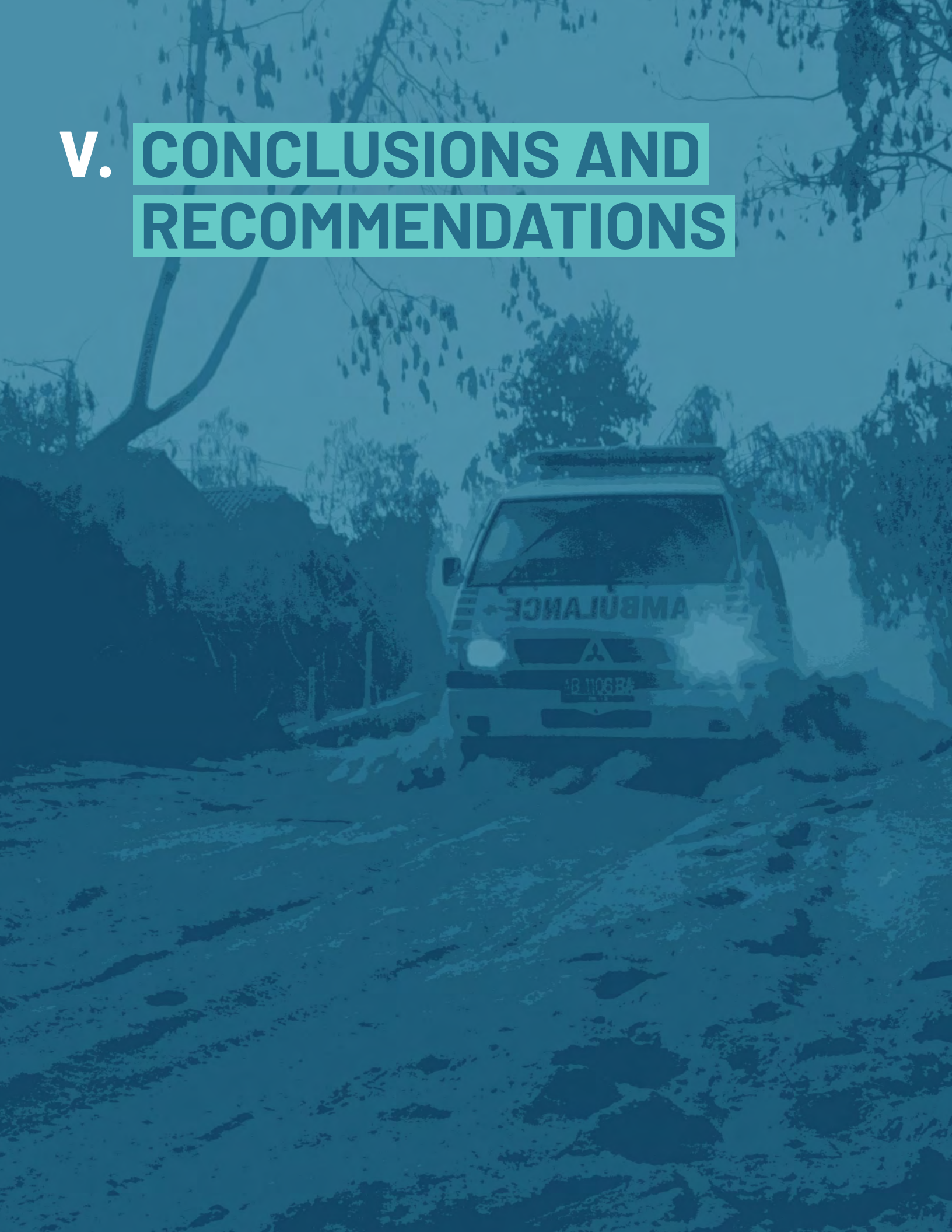


Figure 21. GFDRR Grants Supporting CERC-Related Activities in FCV and SIDS Countries (FY12–23)

Source: Authors using GFDRR data.

Note: The data on beneficiaries and coverage were collected at the grant level.

V. CONCLUSIONS AND RECOMMENDATIONS



Through their efforts, the GFDRR has supported World Bank task teams and their government counterparts in the effort to implement effective contingency financing. Although important results have been achieved, more remains to be done to support governments' capacity to prepare for and respond to emergencies. This report identifies several areas where CERCs could be beneficial in providing prompt funds to affected populations, sectors, or geographical areas of a country during an eligible crisis or emergency (including health emergencies). The report's findings point to a set of recommendations, presented below. These are broad recommendations that may serve as the basis for developing more specific design elements and implementation mechanisms.

One of the review's main findings concerns the relevance and effectiveness of CERCs as a crisis preparedness and response tool that allows the governments to implement CERCs to ensure timely support for affected people and communities. Another finding is the importance of GFDRR support for designing the CERC and for activation processes. In this context, the report presents the following **six recommendations** to enhance the use of CERCs as a tool for crisis preparedness and response in the Bank financed projects.

5.1 RECOMMENDATIONS

1. **Strategic and Efficient Planning (for Bank operational task teams and government counterparts):** For Bank operational task teams and their government counterparts, strategic and efficient planning during the operations preparatory stage is crucial. Establishing practical thresholds for activating the CERC and agreeing on ineligible activities in advance within the CERC manual are essential steps. Close collaboration between Bank teams and their client counterparts is critical and should focus on understanding and advocating for effective emergency provisions in national procurement regulations, including maintaining up-to-date registries of pre-qualified suppliers and establishing pre-arranged agreements for specific emergency goods and services. These practices enable rapid procurement and deployment of necessary resources during crises. In fragile and conflict-affected contexts, where procurement challenges can lead to delays, engaging third-party implementers such as the United Nations Office for Project Services (UNOPS) or the World Food Program (WFP) can help.

Moreover, it is important to recognize that procurement thresholds are country-specific and emergency-dependent. Engaging in conversations with governments about their capacities to quickly assess impact is crucial, as they often have limited capacity for rapid damage and loss assessment and may need to rely on third-party sources. Additionally, it is necessary to consider whether countries have reserve funds or CAT DDOs (Catastrophe Deferred Drawdown Options) or Contingent Emergency Response Projects

(CERPs) in place to understand how the government will use these instruments to meet its emergency response needs. This comprehensive approach ensures that all aspects of emergency preparedness and response are effectively addressed.

2. **Capacity Building and Institutional Readiness Workshops (for Bank operational task teams and government counterparts):** Conducting targeted training workshops for government agencies, local governments, civil society organizations, and other stakeholders is essential to enhance awareness and build institutional capacities for emergency response. These measures collectively contribute to a more effective and responsive emergency management system, minimizing bottlenecks and validating new or existing standard operating procedures. Workshops should be specifically designed to address the practical aspects of CERC activation, such as conducting rapid needs assessments, making quick decisions on activities or goods to be funded, and developing an Emergency Action Plan (EAP). Rapid needs assessments are critical for decision-making on activities that the CERCs will finance, as well as informing the EAP. The government may use national assessment systems or employ external rapid assessment methodologies. Tools like the Bank's Global Rapid Post-Disaster Damage Estimation (GRADE)¹⁸ rapid assessment, which has been effectively utilized in Morocco post-earthquake and Bangladesh post-floods, enable quick estimation of response needs.

This focused approach will foster a cohesive and informed network of stakeholders, which is essential for activating and implementing CERCs, strengthening overall preparedness and response capabilities, and informing new stakeholders. These workshops should be strategically timed to avoid overlapping with critical emergency response periods and scheduled when most, if not all, stakeholders can participate, ensuring broad and effective engagement.

The workshops should cover the identification of eligible expenditures, specific tasks required during CERC activation, and the assignment of roles and responsibilities of various agents involved in the emergency response. Developing a detailed task matrix and including role-playing exercises can help participants understand their roles and responsibilities and what to expect from a CERC activation. Another important focus should be on establishing and practicing coordination mechanisms among different stakeholders. This includes developing communication protocols and standard operating procedures (SOPs) for inter-agency coordination and collaboration. Simulations and tabletop exercises are essential for practicing emergency response plans and testing the readiness of the emergency response system. Regularly scheduling and conducting these exercises,

¹⁸ Gunasekera, R., Daniell, J. E., Pomonis, A., Arias, R. A. D., Ishizawa, O., & Stone, H. (2018). *Methodology Note on the Global Rapid Post-Disaster Damage Estimation (GRADE) approach*. World Bank, Washington DC. https://www.gfdrr.org/sites/default/files/publication/DRAS_web_04172018.pdf

followed by debriefing sessions to discuss lessons learned and areas for improvement, ensures continuous improvement. Documenting and sharing best practices and insights gained from these exercises can further enhance future responses.

3. **Monitoring, Evaluation, and Accountability (for Bank operational task teams):** Aligning CERC activities with relevant indicators and establishing adequate monitoring mechanisms with clearly defined roles and responsibilities, are key to ensuring an accurate assessment of the impact of interventions and maintaining accountability and coordination among government agencies. It is worth mentioning that these indicators are identified and agreed upon at the moment of CERC activation in the Emergency Action Plan. This structured approach to monitoring and evaluation not only facilitates an accurate assessment of such impacts but also reinforces accountability. Indicators should be tied to activities and information that are related to expected CERC outcomes and should reasonably be within the government's ability to track indicators with low transaction costs.
4. **Knowledge Management and Transparency (for Bank operational task teams and government counterparts):** Utilizing storytelling exercises and semi-structured interviews can provide valuable insights into the contributions of CERC-funded emergency support to sustainable recovery efforts. These methods allow for the collection of qualitative data that captures the experiences and lessons learned from those directly involved in emergency response and recovery. By sharing these stories, operational task teams can better understand the impact of their interventions and identify areas for improvement. Additionally, comprehensive CERC manuals that outline program design, eligible expenditures, beneficiary criteria, and fiduciary arrangements are crucial for maintaining transparency and accountability throughout the implementation processes. These manuals should be regularly updated to reflect new insights and best practices gathered from field experiences and feedback from stakeholders and share with task teams. Regularly scheduled knowledge-sharing sessions and workshops can also facilitate the exchange of information and foster a culture of continuous learning.
5. **Proactive and Informed Project Design (for Bank operational task teams):** Proactive planning to anticipate bottlenecks in government systems, especially in challenging socio-political contexts, can mitigate delays and ensure timely emergency responses. Recognizing the importance of government awareness of the risks associated with resource reallocation for CERC activations fosters an appreciation of the benefits of CERCs and aids in ensuring that the CERCs are well prepared in the new operations. Task teams should also have information about other potential sources of funding for emergency response that the government would likely receive, including from the Bank and other development partners.

6. **GFDRR Support (to Bank operational task teams):** The Global Unit for Disaster and Climate Risk Management, through the GFDRR Umbrella Trust Fund, has provided essential technical support, knowledge generation, and assistance in preparing and activating CERCs. This support has been key to enabling rapid and effective disaster responses. Leveraging experience and lessons learned from CERC activations, the unit is well-positioned to continue supporting operational teams, including through the new CERP. By offering just-in-time (JIT) support and expertise in both CERCs and CERPs, the unit ensures a robust, adaptable response to emergencies, tailored to the specific needs of each situation. GFDRR continues to support teams related to CERCs as well as the enhanced CPRT toolkit.



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ANNEXES

ANNEX 1. Activities in CERC Activations in Response to Natural Hazards and Non-COVID-19 Health Emergencies

PROJECT ID AND NAME	COUNTRY	TYPE	FY	KEY ACTIVITIES	AMOUNT, US\$M
Emergency Health and Nutrition Project	Yemen	Cholera	FY17	Health response activities; strengthening of the health system for cholera treatment and prevention	10.0
Eastern Ukraine: Reconnect, Recover, Revitalize (3R) Project	Ukraine	Conflict	FY22	Social protection; cash transfers for basic needs, including food, health care, and energy to IDPs	99.0
Great Lakes Regional Integrated Agriculture Development Project	Burundi	Animal disease	FY18	Agriculture support; a nationwide vaccination campaign; and a post-vaccination monitoring campaign to assess animal immunity levels.	2.8
Pacific Resilience Project Under Pacific Resilience Program	Tonga	Cyclone	FY18	Early-recovery activities; critical emergency equipment and stockpiles	0.5
Agriculture Rural Growth and Land Management Project	Madagascar	Cyclone	FY18	Early-recovery activities; agriculture support; rehabilitation of health and education infrastructure	13.0
Water Service and Institutional Support II	Mozambique	Cyclone	FY19	Infrastructure rehabilitation; repairs of water supply systems	10.0
Agriculture and Natural Resources Landscape Management Project	Mozambique	Cyclone	FY19	Agriculture support; livelihoods restoration	10.0

PROJECT ID AND NAME	COUNTRY	TYPE	FY	KEY ACTIVITIES	AMOUNT, US\$M
Integrated Feeder Road Development Project	Mozambique	Cyclone	FY19	Infrastructure rehabilitation; restoration of basic road connectivity	35.0
Haiti Sustainable Rural and Small Towns Water and Sanitation Project	Haiti	Cyclone (hurricane)	FY17	Infrastructure rehabilitation; repairs of water supply systems	2.3
Malawi Agricultural Commercialization Project	Malawi	Cyclone	FY19	Agriculture support; rehabilitation of roads and bridges	3.7
MZ-Social Protection project	Mozambique	Cyclone	FY20	Early-recovery activities in response to cyclones	53.5
Ukraine Improving Higher Education for Results Project	Ukraine	Conflict	FY22	Education-related activities	200.0
Malawi Agricultural Commercialization Project	Malawi	Cyclone	FY19	Agriculture support; procurement of emergency input packages for farmers	20.0
Disaster Risk Management Project	Honduras	Cyclone	FY20	Early-recovery activities in response to cyclones	0.4
NI - Integrated Public Provision of Health Care Services	Nicaragua	Dengue	FY20	Health response activities; strengthening health system preparedness and response to dengue	1.0
Lesotho Smallholder Agriculture Development Project	Lesotho	Drought	FY17	Early-recovery activities; relief support for vulnerable households	1.4
Somalia Urban Resilience Project II	Somalia	Drought	FY22	Social protection related to housing, land, and property; provision of basic WASH and health services	20.0
Integrated Risk Management in the Rural Agro-industrial System	Argentina	Drought	FY22	Agriculture support; procurement of emergency input packages for farmers; rehabilitation of fencing for small and medium-sized producers	15.0
Cote d'Ivoire - Emergency Infrastructure Renewal Project	Cote d'Ivoire	Drought	FY18	Early-recovery activities related to a water crisis	8.8

PROJECT ID AND NAME	COUNTRY	TYPE	FY	KEY ACTIVITIES	AMOUNT, US\$M
AFCC2/RI-Regional Pastoral Livelihoods Resilience Project	Kenya	Drought	FY18	Early-recovery activities related to drought	5.2
MZ - Emergency Resilient Recovery Project	Mozambique	Drought	FY17	Early-recovery activities; interventions in the agriculture, water, and health sectors; food assistance	20.0
Angola Health System Performance Strengthening Project (HSPSP)	Angola	Drought	FY20	Food security; nutrition interventions; screening children treated for malnutrition; delivery of supplementary food; capacity building for health professionals and community health and development workers	12.0
Special Financing Facility for Local Development	Somalia	Drought	FY17	Early-recovery activities related to drought	2.8
Livestock Commercialization Project	Mongolia	Dzud	FY21	Agriculture support; emergency supply of high-energy concentrated feed to herder households; social assistance in the form of cash transfer to herders; climate resilience in the form of cost-sharing funding of regional feed-production hubs and associated community-based simulation exercises	13.0
Strengthening DRM and Climate Resilience Project	Haiti	Earthquake	FY22	Early-recovery activities; rehabilitation of earthquake-affected DGPC's Emergency Operations Centers; strengthening their operational capacities; institutional strengthening of the Housing and Public Buildings Construction Unit; provision of hands-on training for masons and other workers on improved local techniques for earthquake and hurricane-proofing	11.1
Haiti Rural Accessibility and Resilience Project	Haiti	Earthquake	FY22	Infrastructure rehabilitation; restoration of accessibility and rural connectivity by repairing and clearing critical segments of the road network; construction of an emergency bridge; building assessment activities, restoration of irrigation canal and water supply systems	30.0
Strengthening Primary Health Care and Surveillance in Haiti	Haiti	Earthquake	FY22	Infrastructure rehabilitation; restoration of access to health services; providing equipment and supplies; support for the coordination of reconstruction activities	20.0
Western Indonesia National Roads Improvement Project	Indonesia	Earthquake, tsunami	FY19	Infrastructure rehabilitation; reconstruction of roads	25.0

PROJECT ID AND NAME	COUNTRY	TYPE	FY	KEY ACTIVITIES	AMOUNT, US\$M
Indonesia National Slum Upgrading Project	Indonesia	Earthquake, tsunami	FY19	Infrastructure rehabilitation; reconstruction of houses, roads, drainage, water supply, sanitation, and public space facilities, education facilities, and public buildings	50.0
Health System Strengthening for Better Maternal and Child Health Results Project	Democratic Republic of Congo	Ebola	FY18	Health response activities; strengthening health system preparedness and response to Ebola	80.0
Health System Strengthening for Better Maternal and Child Health Results Project	Democratic Republic of Congo	Ebola	FY20	Health response activities; strengthening health system preparedness and response to Ebola	80.0
South Sudan Provision of Essential Health Services Project	South Sudan	Ebola	FY20	Health response activities; strengthening health system preparedness and response to Ebola	7.6
Uganda Reproductive, Maternal, and Child Health Services Improvement Project	Uganda	Ebola	FY19	Health response activities; strengthening health system preparedness and response to Ebola	5.0
DR Congo – Quality and Relevance of Secondary and Tertiary Education Project	Democratic Republic of Congo	Ebola	FY20	Social protection: emergency cash-for-work program related to the Ebola crisis	50.0
Rwanda Stunting Prevention and Reduction Project	Rwanda	Ebola	FY19	Health response activities, screening equipment, handwashing facilities, and toilets for border crossers; strengthening health system preparedness and response to Ebola	2.7
Inclusive Connectivity and Development Project	Sri Lanka	Economic Crisis	FY22	Infrastructure rehabilitation; restoration of rural roads	350.0
Sierra Leone Free Education Project	Sierra Leone	Economic Crisis	FY22	Social protection; payments of salaries to teachers; payment of West African Senior School Certificate Examination (WASSCE) fees for candidates	12.0
Irrigation, Rural Livelihoods and Agricultural Development Project	Malawi	Flood	FY15	Early-recovery activities related to floods	0.6

PROJECT ID AND NAME	COUNTRY	TYPE	FY	KEY ACTIVITIES	AMOUNT, US\$M
Regional Disaster Vulnerability Reduction APL1 – Grenada and St. Vincent and the Grenadines	Saint Vincent and the Grenadines	Flood	FY14	Infrastructure rehabilitation; river training, bridge rehabilitation, and reconstruction; road realignment; coastal defenses	1.9
Niger Disaster Risk Management and Urban Development Project	Niger	Flood	FY17	Early-recovery activities; support for the affected people; studies and rehabilitation/ protection works for infrastructure	13.5
Sri Lanka – Climate Resilience Improvement Project	Sri Lanka	Flood	FY18	Infrastructure rehabilitation; restoration of rural road connectivity	3.2
Agricultural and Livestock Transformation Project	Niger	Flood	FY21	Early-recovery activities; direct emergency assistance to flood disaster victims; provision of hygiene and non-food commodities; support for productive activities and the protection of crop and livestock lands; rehabilitation of production tools	39.5
Pakistan Hydromet and Climate Services Project (PHCSP)	Pakistan	Flood	FY22	Early-recovery activities; emergency assistance to flood disaster victims	150.0
Myanmar National Community Driven Development Project	Myanmar	Flood, landslides	FY16	Early-recovery activities; emergency assistance to flood disaster victims	19.0
Ayeyarwady Integrated River Basin Management Project	Myanmar	Flood, landslides	FY16	Early-recovery activities; installation of Automatic Weather Stations (AWS) and Automatic Water Level Monitoring Stations (AWLS).	4.6
Myanmar – Agricultural Development Support Project	Myanmar	Flood, landslides	FY16	Early-recovery activities; direct emergency assistance to flood disaster victims; provision of hygiene and non-food commodities; support for productive activities and the protection of crop and livestock lands; rehabilitation of production tools	5.0
Essential Health Services Access Project	Myanmar	Flood, landslides	FY16	Early-recovery activities; direct emergency assistance to flood disaster victims; provision of hygiene and non-food commodities; support for productive activities and the protection of crop and livestock lands; rehabilitation of production tools	3.4

PROJECT ID AND NAME	COUNTRY	TYPE	FY	KEY ACTIVITIES	AMOUNT, US\$M
National Electrification Project	Myanmar	Flood, landslides	FY16	Agriculture support; provision of critical machinery and equipment, production inputs, and other required goods; establishment of Emergency Operation Centers with improved resources, including speed boats, vehicles, and bailey bridges used to support emergency response during floods	14.1
Myanmar Flood and Landslide Emergency Recovery Project	Myanmar	Flood, landslides	FY16	Early-recovery activities; provision of eligible goods and other technical assistance to support recovery from floods	15.0
Support for Resilient Livelihoods in the South of Madagascar	Madagascar	Flood, drought	FY21	Agriculture support; rehabilitation of agriculture production through climate-smart technologies and improved natural resource (soil, water) approaches; recovery of livelihoods; improvements of water supply services and infrastructure	12.1
Health System Support Project (“KIRA”)	Burundi	Ebola	FY20	Health response activities; social mobilization; change of standard operating procedures for management of cases and entry point surveillance; training on case management and supervision activities	3.3
Property Rights Strengthening Project	Nicaragua	Hurricane	FY21	Agriculture and fisheries support; road rehabilitation; rehabilitation of productive activities in the artisanal fisheries sector	11.0
Haiti - Disaster Risk Management and Reconstruction Project	Haiti	Hurricane	FY17	Infrastructure rehabilitation; emergency works; restoration of the road network; construction of a temporary bridge	1.5
Third Phase Disaster Vuln. Reduction APL for Dominica	Dominica	Hurricane	FY18	Agriculture support; cash transfers to farmers	7.0
Regional Disease Surveillance Systems Enhancement (REDISSE) Phase II	Nigeria	Lassa fever	FY18	Health response activities; strengthening health system preparedness and response to Lassa fever	2.5
Kenya Climate Smart Agriculture Project	Kenya	Locust	FY20	Locust control; provision of the insecticide fenitrothion and bio pesticides; aircraft surveillance activities	13.8
Emergency Health and Nutrition Project	Yemen	Nutrition emergency	FY17	Food security; proactive prevention and management of moderate and severe acute malnutrition	30.0

PROJECT ID AND NAME	COUNTRY	TYPE	FY	KEY ACTIVITIES	AMOUNT, US\$M
Health System Performance Strengthening Project	Chad	Nutrition emergency	FY22	Agriculture support; provision of nutritional and agricultural inputs	50.0
Third Phase Disaster Vuln. Reduction APL for Dominica	Dominica	Tropical storm	FY16	Early-recovery activities; cleanup emergency activities; rapid procurement of emergency goods.	1.0
El Salvador Local Economic Resilience Project	El Salvador	Tropical storm	FY23	Early-recovery activities; rehabilitation of road infrastructure; rehabilitation of drainage and foundation systems; procurement of equipment required for DRM and clean-up activities in affected areas; bridge rehabilitation	3.8
Growing Up Healthy Together: Comprehensive Early Childhood Development in El Salvador	El Salvador	Tropical storm	FY23	Infrastructure rehabilitation; rehabilitation of a bridge, riverbanks, and access roads	20.0
Growing Up and Learning Together: Comprehensive Early Childhood Development in El Salvador	El Salvador	Tropical storm	FY23	Early-recovery activities in response to the storm	16.7
El Salvador Local Economic Resilience Project	El Salvador	Tropical storm	FY22	Infrastructure rehabilitation; road rehabilitation; rehabilitation of drainage and foundation systems; procurement of equipment required for DRM and clean-up activities in affected areas; bridge rehabilitation	6.2
Road Sector Project	Lao People's Democratic Republic	Typsshoon	FY12	Infrastructure rehabilitation; recovery of roads	10.6

ANNEX 2.

Interview Questions

1. Introduction

The following questions provide a summary of CERC activations in the context of the given project:

Q1: Please provide specific details on services, goods, or activities financed by CERC(s). Were disbursements made against a positive list of goods and commodities finalized during the project appraisal? Was the CERC used to improve the response capacity through additional flexibility in the procurement of consultants, goods, works, and services in emergencies? Was the Operations Manual restrictive in terms of services, goods, or activities financed by CERC(s)?

2. Substantive questions (practices, challenges, and lessons learned)

The following questions will enable us to assess practices, challenges, and lessons learned in the process of CERC activations, please respond where you can:

Q2: From your perspective, what were the top challenges in the CERC activation process, including in FCV contexts?

Q3: What external agencies, partners, and stakeholders did you collaborate with most in the CERC activation process? What was their role?

Q4: To what extent, was internal collaboration between World Bank units utilized in the CERC design and activation process? Which units were involved in CERC design and activations in your project and what was their role?

Q5: Were CERC activations effective for crisis preparedness and response to ensure timely support for affected people and communities?

Q6: Were gender and inclusive considerations incorporated in the CERC activation process?

Q7: What lessons learned could you share with TTLs working on CERCs going forward?

3. GFDRR support for CERCs and potential improvements

The following questions explore factors for strengthening contingent financing going forward. Thinking about your experience to date:

Q8: In the process of CERC design and implementation, did you receive any support from GFDRR? If yes, what was your experience?

Q9: What suggestions do you have on improvements in CERC design and implementation mechanisms to enhance support for governments' capacity to prepare and respond to emergencies?

4. Conclusion

Is there anything else you would like to add about your experience with CERCs? Thank you very much for your thoughts and insights. If there are documents or links to material evidence to support your answers, please share them with us (jvasilyan@worldbank.org and ykrylova@worldbank.org)

ANNEX 3. Survey Questions

1. Introduction

The following questions provide a summary of CERC activations in the context of the given project:

Q1: Name of the TTL.

Q2: Region (AFE, AFW, ECA, EAP, LCR, MENA, SAR, other).

Q3: Sector (Agriculture and Food; Digital Development; Education; Energy and Extractives; Environment; Natural Resources and the Blue Economy; Finance, Competitiveness and Innovation; Infrastructure, PPPs and Guarantees; Jobs; Macroeconomics, Trade and Investment; Poverty and Equity; Social Protection and Jobs; Social Sustainability and Inclusion; Trade and Competitiveness; Transport; Urban, Resilience and Land; Water; Health, other).

Q4: Have you activated a CERC? If yes, how many?

Q5: Please provide the CERC Activation Project Name and P-Code.

2. Substantive questions (practices and support for CERC activations)

The following questions will enable us to assess practices of CERC activations and GFDRR support:

Q6: Was CERC Ready to be activated? If not, what was missing?

Q7: How much time did it take to prepare the necessary documents for CERC activation once the request was made by the client government?

Q8: What activities was the CERC used for?

Q9: How much time did it take to implement CERC activities? (less than 6 months, 6 months to one year, more than one year)

Q10: Do you find the CERC tool helpful in crisis preparedness and response?

Q11: What are some challenges you faced while using the CERC instrument tool?

Q12: Has GFDRR supported your CERC preparation and activation?

Q13: Are there any areas which GFDRR can support you in terms of CERC preparation and activation?

3. Lessons learned

The following questions explore factors for strengthening contingent financing instruments tools? going forward.

Q14: Please provide a few lessons learned.

Q15: Do you think some of the lessons learned can be applicable to the new CERP instrument tool? If yes, please elaborate (<https://worldbankgroup.sharepoint.com/sites/news/announcement/pages/expanded-crisis-preparedness-and-response-toolkit-for-world-bank-clients-01022024-094848.aspx>)

4. Conclusion

Q16: *Would you be interested in having a short interview with the EP&R team to discuss your experiences with the CERC?*

ANNEX 4.

Insights into the CERC Design and Implementation Based on a Review of Implementation Completion and Results Reports (ICRs) of Closed Projects with CERC Activations

PROJECTS	FACTORS IMPACTING CERC EFFECTIVENESS BASED ON ICRS	INSIGHTS INTO CERC DESIGN AND IMPLEMENTATION
Irrigation, Rural Livelihoods and Agricultural Development Project	<ul style="list-style-type: none"> Despite numerous occasions when the Government requested assistance from this facility following local disaster occurrences, the CERC was triggered only after the devastation and impact of a major flooding disaster compelled the country's Head of State to declare a national disaster. Simplified procurement processes and hastened disbursement under the CERC allowed work to be completed on time. 	<ul style="list-style-type: none"> The preparation of CERC components should strategize and clarify the key disbursement conditions -- such as the CERC Manual, Emergency Action Plan, and E&S documents streamlined procurement is critical for the effective implementation of CERCs.
Western Indonesia National Roads Improvement Project	<ul style="list-style-type: none"> The CERC activation was effective because (i) the activities supported under the CERC were agreed upon early in the post-disaster recovery program; (ii) the implementing agency of the activities was the same as for the other project activities, ensuring efficient institutional arrangements; and (iii) supplements to the Project Management Manual (PMM), Project Implementation Plan (PIP), and ESMF were prepared swiftly to cover fiduciary and safeguard aspects. 	<ul style="list-style-type: none"> The CERC preparation stage should ensure an agreement upon eligible expenses and activities, efficient institutional arrangements in terms of coordinating and implementing agencies, and supplemental documentation covering fiduciary and safeguard aspects.
Regional Disaster Vulnerability Reduction	<ul style="list-style-type: none"> A change in the disbursement process was made to simplify accounting procedures and improve efficiency so that expenditures were no longer split by the various sources of funding. 	<ul style="list-style-type: none"> CERCs can benefit from simplifying disbursement procedures.
Lesotho Smallholder Agriculture Development Project	<ul style="list-style-type: none"> The project facilitated improved emergency decision-making through the assessment of documentation and dissemination of impacts of CERC interventions and lessons. The CERC enabled the vulnerable to avoid being trapped in poverty and malnutrition and strengthened their income and food and nutrition security. 	<ul style="list-style-type: none"> It is critical to facilitate improved emergency decision-making through the assessment of documentation and dissemination of impacts of CERC interventions and lessons. A focus on the most vulnerable during the CERC design stage is crucial for addressing the disproportionate impacts of disasters on the poor, the elderly, persons with disabilities, and other disadvantaged groups.

PROJECTS	FACTORS IMPACTING CERC EFFECTIVENESS BASED ON ICRS	INSIGHTS INTO CERC DESIGN AND IMPLEMENTATION
Second Land Administration Project	<ul style="list-style-type: none"> • Several CERCs were maintained across the country’s portfolio. A CERC Manual was prepared for the country, and it applied to all CERCs in the portfolio. It was regularly updated. • The CERC Manual and training provided to the Minister of Finance (MoF) on the mechanism took place before the disaster, which facilitated the rapid activation of the CERC under the Project, and the preparation of the required documents by the Government. • The MoF was the Coordinating Agency for the CERC, and it delegated the implementation of the CERC to the Attorney General’s Office, given its good track record of performance. The Attorney General’s Office worked closely with the Ministry of Health since the Government request was for the COVID-19 health emergency response. All these elements allowed for rapid CERC activation. 	<ul style="list-style-type: none"> • It is necessary to provide training on CERCs for government agencies and other stakeholders prior to CERC activations. • Implementing agencies should be selected based on their track record of performance. • It is necessary to provide support for interagency coordination within government agencies.
Cote d’Ivoire – Emergency Infrastructure Renewal Project	<ul style="list-style-type: none"> • The project was marked by ineligible expenses in implementing the CERC. A fiduciary and technical in-depth review concluded that part of the expenses incurred under the CERC were deemed ineligible. • The CERC component’s impact could have been better illustrated with an indicator informing about the beneficiaries and the component’s impact in a situation of an urgent need. 	<ul style="list-style-type: none"> • Eligible expenses should be agreed on during the CERC preparation stage to avoid situations where a fiduciary and technical in-depth review finds that the expenses incurred under the CERC are ineligible. • CERC activities should be aligned with adequate indicators informing about CERC beneficiaries and impacts in an emergency situation.

PROJECTS	FACTORS IMPACTING CERC EFFECTIVENESS BASED ON ICRS	INSIGHTS INTO CERC DESIGN AND IMPLEMENTATION
<p>Climate Resilient Infrastructure</p>	<ul style="list-style-type: none"> • The effectiveness of the emergency response was enhanced through pre-disaster capacity-building efforts, including providing support to strengthen the emergency preparedness and response of key ministries prior to the CERC activation. This included CERC training to prepare for the 2017 hurricane season, conducted for officials from the Ministry of Finance (MoF), the National Emergency Management Office, the Social Investment Fund, and the PMU. • The training workshop focused on enhancing institutional mechanisms and capacities to trigger and implement the CERC. The CERC training also worked with ministries on maintaining an up-to-date registry and list of pre-qualified suppliers and contractors. • M&E played an essential role in guiding the implementation of the CERC. The CERC Operations Manual established monitoring mechanisms for implementation, with defined roles and responsibilities for the Social Investment Fund, the Ministry of Agriculture, and the Ministry of Human Development, Social Transformation and Poverty Alleviation. • Spot checks conducted through field visits, telephone calls, or a combination of the two were used to ensure compliance with the project design and the pre-defined parameters. • The CERC Grievance Redress Mechanism (GRM) was an important tool for monitoring and implementing social protection activities, allowing agencies to quickly understand issues and adapt program approaches when needed. The revised monitoring mechanism informed decisions during project implementation. • The Screening Process included in the CERC-ESMF guided the identification and assessment of risks and impacts from the sites of subprojects to be financed and included guidance on the preparation of the Environmental and Social Management Plans to support CERC-ESMF compliance. The Social Investment Fund safeguard specialist supported efforts to build the capacities of the Ministry of Agriculture on the ESMF, including orientation sessions on the monitoring of beneficiaries to avoid triggering safeguards. 	<ul style="list-style-type: none"> • It is critical to provide training workshops for government agencies and other stakeholders focusing on enhancing institutional mechanisms and capacities to trigger and implement the CERC. • It is also important to work with ministries on maintaining an up-to-date registry and list of pre-qualified suppliers and contractors. • CERCs requires the development of adequate monitoring mechanisms, with clearly defined roles and responsibilities of different government agencies. • CERC design can benefit from innovative ways to assess CERC impacts, such as a storytelling exercise to identify the contribution of CERC-funded emergency support to the sustainable recovery of affected households. Specific tools for an intervention assessment can include conducting semi-structured interviews and taking environmental portraits of the vulnerable households to assess the integration of resilience at the household level. • Preparation of CERC manuals should be based on a clear program design, accurately defined eligible expenditures, beneficiary eligibility criteria, and enhanced fiduciary arrangements to ensure that there are adequate controls over the use of funds. • The CERC implementation can benefit from multisectoral implementation agency with experience in managing donor funded projects involving multiple ministries, government institutions, and private sector partners for emergency response. • The preparation of the CERC Operations Manual, GRM, and ESMF can benefit from safeguard specialists supporting efforts to build the capacity of agencies involved in CERC activities.

PROJECTS	FACTORS IMPACTING CERC EFFECTIVENESS BASED ON ICRS	INSIGHTS INTO CERC DESIGN AND IMPLEMENTATION
AFCC2/RI-Regional Pastoral Livelihoods Resilience Project	<ul style="list-style-type: none"> • Significant impediments to CERC implementation included delays associated with the project safeguards process and bureaucratic inefficiencies. 	<ul style="list-style-type: none"> • Potential bureaucratic bottlenecks associated with the CERC process should be reviewed in advance to hasten decision-making and approvals.
Disaster Risk Management Project	<ul style="list-style-type: none"> • The preparation and review of these documents for the first CERC took about three months, and five for the second CERC. This implies that, from the declaration of the state of emergency, activation time, and disbursement until access and implementation of the funds, the government responded to the two emergencies in 5 to 7 months, respectively. Therefore, to the extent permitted by the World Bank's policies, greater flexibility in the preparation and approval of these documents is needed. 	<ul style="list-style-type: none"> • The preparation and review of CERC documentation in countries experiencing high political and social turmoil should consider the possibility of delays and financial access issues. These risks should be built into the CERC design in these countries.
Myanmar National Community Driven Development Project	<ul style="list-style-type: none"> • The triggering of the new safeguard policies was in response to lessons learned, which confirms the importance of the adaptive learning approach built into the project. • The Government of Myanmar and task teams required extensive training and preparation support for IRM activation and implementation, particularly as related to procurement, safeguards, and fiduciary matters. 	<ul style="list-style-type: none"> • It is necessary to design CERCs based on recent assessments of projects with CERC activations and their lessons, and to incorporate an adaptive learning approach into the entire project cycle, including CERC components.
Sri Lanka - Climate Resilience Improvement Project	<ul style="list-style-type: none"> • Gender considerations were an integral part of the subproject planning. For example, 54 percent of the total population affected by the May 2017 floods were women and children and were CERC beneficiaries. 	<ul style="list-style-type: none"> • The gender-sensitive design of CERCs is vital for addressing the disproportionate impacts of disasters on women and other disadvantaged groups.
Ayeyarwady Integrated River Basin Management Project	<ul style="list-style-type: none"> • Using the IRM to acquire some of the hydro-met stations that were already planned under the original project was not an optimal choice. The IRM should have been used differently to support complementary activities. 	<ul style="list-style-type: none"> • It is critical to agree on eligible expenses in advance to avoid situations where using CERCs to acquire goods is not optimal.
Myanmar - Agricultural Development Support Project	<ul style="list-style-type: none"> • As a new undertaking for the government and World Bank teams, with unfamiliar implementation arrangements involving 4 implementing ministries and 8 allied departments, management of the IRM proved to be complex and time-consuming. 	<ul style="list-style-type: none"> • A careful design of coordination arrangements in the case of several implementing agencies is important for avoiding complex and time-consuming management.

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<p>Indonesia National Slum Upgrading Project</p>	<ul style="list-style-type: none"> • CERC activities included (a) gender-sensitive design, which influenced the design of standard housing and sanitation facilities for schools, and (b) enhanced measures to address the risks for gender-based violence in the post-disaster reconstruction process. • The project was ideally positioned for post-disaster reconstruction because of the readiness of the funding mechanism, institutions, and facilitators. • The CERC activation and the reallocation of budgets over the components allowed the use of the funds where they would make the most impact. This flexibility facilitated post-disaster reconstruction and generated jobs during the pandemic in low-income slum communities. 	<ul style="list-style-type: none"> • The gender-sensitive design of CERCs is crucial for addressing the disproportionate impacts of disasters on women and other disadvantaged groups. • Ensuring institutional readiness is a key prerequisite for the effective implementation of CERCs. • The flexibility of the CERC implementation facilitates post-disaster reconstruction where needed most.
<p>Special Financing Facility for Local Development</p>	<ul style="list-style-type: none"> • This project promoted an innovative Government-NGO model for delivery by providing a holistic and integrated package of quick support with both immediate and long-lasting impacts. • For the first time, Somalia contracted with NGOs to implement a government-led emergency response. The approach harnessed a wealth of local knowledge, relationships, and capacities in conflict-sensitive dialogue, planning, and management. This included assessments, information on the priorities of communities and vulnerable populations, and knowledge of local political economies. Together with the government, NGOs also successfully facilitated community engagement in project design to enhance access and ensure impartiality, government visibility, and leadership. • A consortium leader with strong technical and operational capability was critical to the success of the project, ensuring that quality assurance was conducted on the bill of quantities from each implementing partner, which resulted in more accurate bids. • Standard operating procedures were aligned between all project partners, and operational price fluctuations and contract modification were absorbed within the group. Further, the Consortium helped enhance community engagement in project design and enabled grievance redress mechanisms, while leveraging its well-developed and trusted security risk management systems. 	<ul style="list-style-type: none"> • Incorporating community-led approaches into CERCs and other project activities should be based on a structured approach. • The consortium-like government-NGO model might be used for facilitating and streamlining collaboration, consistency, and compliance across several implementing agencies in a number of areas—assuring common fiduciary and safeguard consistency, along with compliance and monitoring and evaluation.

PROJECTS	FACTORS IMPACTING CERC EFFECTIVENESS BASED ON ICRS	INSIGHTS INTO CERC DESIGN AND IMPLEMENTATION
MZ – Emergency Resilient Recovery Project	<ul style="list-style-type: none"> • The use of a single PIU with a proven capacity for fiduciary management, and with technical support from the beneficiary institutions, contributed to quick contracting and delivery of emergency support, and streamlined reporting and accountability. • The prior selection of a CERC coordinating entity within the Government at appraisal, the early updating of the CERC Operations Manual each year, and the selection of the DRM team as leader of IRM/CERC activation within the World Bank provided the country and the World Bank with the necessary institutional readiness that helped the country to quickly and timely respond and recover from emergencies and crises. • The establishment of resilience design standards in all critical sectors helps the government to further increase the country's readiness in order to implement recovery projects quickly in the aftermath of large disaster events. 	<ul style="list-style-type: none"> • The CERC activation should be timely and based on emergency-response country needs rather than on the potential availability of additional financing. • Reallocation of project funds for CERC activations requires candid discussions between the government, World Bank task teams, and the Country Managements Units because there is a significant risk that the scope, activities, and targets of the original project could be reduced or diminished if resources mobilized for the CERC are not replenished through additional financing. • High government awareness of this risk is a critical element that makes the government appreciate the benefits of having CERCs when designing new projects and avoid conditioning the activation of a CERC on the assurance of additional financing.



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