



Honduras DRM Development Policy Credit with a Catastrophe Deferred Drawdown Option (Cat DDO) (P172567)

LATIN AMERICA AND CARIBBEAN | Honduras | Urban, Resilience and Land Global Practice |
IBRD/IDA | Development Policy Lending | FY 2020 | Seq No: 3 | ARCHIVED on 19-Jun-2022 | ISR50964 |

Implementing Agencies: Ministry of Finance (Secretaria de Finanzas - SEFIN), Republic of Honduras

Key Dates**Key Project Dates**

Bank Approval Date: 10-Apr-2020

Effectiveness Date: 29-Apr-2020

Original Closing Date: 30-Jun-2023

Revised Closing Date: 30-Jun-2023

Project Development Objectives

Program Development Objective (from Program Document)

The PDO is to strengthen Honduras's institutional and financial framework to manage the risk of adverse natural events including disease outbreaks

Has the Project Development Objective been changed since Board Approval of the Project Objective?

No

Overall Ratings

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	<input type="checkbox"/> Satisfactory	<input type="checkbox"/> Satisfactory
Overall Implementation Progress (IP)	<input type="checkbox"/> Satisfactory	<input type="checkbox"/> Satisfactory
Overall Risk Rating	<input type="checkbox"/> Substantial	<input type="checkbox"/> Substantial

Implementation Status and Key Decisions

Despite the halting of economic activity in Honduras for 2020-2021 due to the COVID-19 pandemic, the devastating impact of tropical storms Eta and Iota in November 2020 that had severe repercussions on the entire country, and the political transition in 2021, PDO and Implementation Progress are rated Satisfactory as four (out of six) results indicators have been achieved or even exceeded. The next implementation support mission is planned for March 2023.

Risks**Systematic Operations Risk-rating Tool**

Risk Category	Rating at Approval	Previous Rating	Current Rating
Political and Governance	<input type="checkbox"/> Substantial	<input type="checkbox"/> Substantial	<input type="checkbox"/> Substantial
Macroeconomic	<input type="checkbox"/> Substantial	<input type="checkbox"/> Substantial	<input type="checkbox"/> Substantial



Sector Strategies and Policies	☐ Moderate	☐ Moderate	☐ Moderate
Technical Design of Project or Program	☐ Moderate	☐ Moderate	☐ Moderate
Institutional Capacity for Implementation and Sustainability	☐ Substantial	☐ Substantial	☐ Substantial
Fiduciary	☐ Moderate	☐ Moderate	☐ Moderate
Environment and Social	☐ Moderate	☐ Moderate	☐ Moderate
Stakeholders	☐ Moderate	☐ Moderate	☐ Moderate
Other	--	☐ Substantial	☐ Substantial
Overall	☐ Substantial	☐ Substantial	☐ Substantial

Results

Results Indicators

Improving public financial management and fiscal resilience against disaster risk				
IN01126621				
► New financial instruments implemented to manage disaster risk and emergencies in accordance with the Disaster Risk Financing Strategy (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	1.00	6.00	1.00
Date	29-Apr-2020	10-May-2021	31-May-2022	30-Jun-2023
Comments:	SEFIN adopted the Disaster Risk Financing Management Strategy (DRMFS) and Implementation Plan in April 2022. The Strategy establishes objectives to assess fiscal exposure to disasters, evaluate and adopt financing instruments to reduce this exposure and improve efficiency in post-disaster expenditures. By December, SEFIN reported it had developed under the DRMFS the following six financial instruments: i. Budget Reallocations; ii. The activation of the CERC to support the response to COVID -19 and Tropical Cyclones Eta and Iota, as well as reallocation of other external funds to support response efforts (approved) iii. External credits for the recovery to Eta and Iota (approved) iv. Contingent line of Credit, with the CAT DDO (approved) v. Non reimbursable cooperation (planned) vi. Placement of Bonds in the National Market.			

Enhancing the institutional framework for improved disaster risk management				
IN01126622				
► New or updated Sistema Nacional de Gestión de Riesgos (SINAGER) DRM instruments formulated and approved by the new Ministry of Disaster Risk Management and National Contingencies (COPECO) (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	1.00	2.00	3.00
Date	29-Apr-2020	10-May-2021	31-May-2022	30-Jun-2023
Comments:	The Honduran Disaster Risk Management Agency (Comisión Permanente de Contingencias; COPECO) designed and approved a new Disaster Risk Management (DRM) instrument: the Index for Risk Management (INFORM) at the municipal level. INFORM is an internationally recognized tool that assesses the risk of humanitarian crises and disasters that could exceed national and municipal response capacity. This instrument became an official information tool used by the Government to target the response to Eta/Iota emergencies.			



COPECO also developed a Geographic Information System (GIS) platform for Disaster Risk Management, DRG (GeoNode), implemented by the Directorate of Prevention Management and Directorate of Communication Information Technologies, in which it stores all the digital cartographic information existing in the country. It can be accessed on the following website: <http://geonode.copeco.gob.hn/>

IN01126625

► Municipalities that have formulated or updated and formally approved their local emergency plans in accordance with the new operational guidelines (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	6.00	46.00	249.00	40.00
Date	29-Apr-2020	10-May-2021	31-May-2022	30-Jun-2023

Comments: 296 Municipal Emergency Plans (*Planes de Emergencia Municipal; PEM*) were prepared and approved, equivalent to 99% of the country's total municipalities, and already in excess of the results framework target of 119 municipalities (249%). This achievement is due to the Budget Law that now mandates the preparation of PEMs, for municipalities to access Government funds. PEMs include assessing the topography, hydrography, geology, and geotechnical conditions of the municipal and local territories. Efficiency in the preparation and implementation of the PEMs was reflected in the relatively efficient responsiveness of the municipalities when Eta and Iota tropical cyclones hit and damaged Honduras (contributing to significantly reducing the number of casualties compared to Hurricane Mitch in 1998).

Strengthening health emergency preparedness and response capacities

IN01126623

► Health regions with a Regional Pandemic, Epidemic and Health Emergency Response Plan adopted by the Ministry of Health (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	100.00	95.00	100.00
Date	29-Apr-2020	10-May-2021	31-May-2022	30-Jun-2023

Comments: In 2021, SESAL developed and adopted 19 (out of 20) Regional Pandemic, Epidemic, and Health Emergency Response Plans. Plan No. 20 regarding the Lempira Health Region was sent until 2022, which is why it was not considered within the progress for 2021.

IN01126626

► Weekly epidemiological reports of mandatory notifiable conditions, produced and disseminated following international standards (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	53.00	52.00	52.00
Date	29-Apr-2020	10-May-2021	31-May-2022	30-Jun-2023

Comments: In 2021, SESAL produced and disseminated 52 (out of 52 planned for 2021) epidemiological reports of mandatory notifiable conditions following international standards.

Enhancing water resources governance and climate resilience

IN01126624

► Water Basin Councils created and operating to reduce water-related risks, in the Dry Corridor region in line with the Water Security Strategy (Number, Custom)



	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	1.00	2.00	5.00
Date	29-Apr-2020	10-May-2021	31-May-2022	30-Jun-2023
Comments:	MiAmbiente formed and trained two (out of five) Water Basin Councils (in Guascorán and Sampile River), 91 Micro-Basins Councils, and 4 Sub-Basin Councils in the Dry Corridor region (Nacaome, Sampile, Goascorán, Lempa, and Choluteca basins), which are operating to reduce water-related risks, in line with the Water Security Strategy.			
IN01126627				
▶ A National Water Authority established and operational (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	No	No	Yes
Date	29-Apr-2020	10-May-2021	31-May-2022	30-Jun-2023
Comments:	Regarding the restructuring of the National Water Authority, a few steps remain to achieve this target. However, a proposal for an Executive Agreement on the Regulations amendments of the Water Law, prepared by the Interinstitutional Committee, was sent to MiAmbiente. MiAmbiente signed the Regulations of the Water Law on September 16, 2021, and on October 6, 2021, it was published in the Official Gazette of Central America. Also, a draft proposal of the National Policy on Water Resources Management was socialized at the national level through 7 workshops, plus the internal ones (prepared by the Inter-institutional Coordination Committee), which was sent to the Secretariat of General Coordination. In December 2021, comments were received. To finalize this Draft, MiAmbiente proposed to hire consultants.			

Data on Financial Performance

Disbursements (by loan)

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P172567	IDA-65930	Effective	USD	119.00	119.00	0.00	119.00	0.00	100%

Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P172567	IDA-65930	Effective	10-Apr-2020	13-Apr-2020	29-Apr-2020	30-Jun-2023	30-Jun-2023

Tranches



Restructuring History

There has been no restructuring to date.

Related Project(s)

There are no related projects.
