



# Guatemala

## KEY PRIORITIES RELATED TO DRM IN THE COUNTRY

Over the past 10 years, the Government of Guatemala (GoG) advanced in mainstreaming DRM into national development plans and legal frameworks, and establishing formal inter-ministerial coordination mechanisms. The major challenge remains implanting its National Strategy for Disaster Risk Reduction (2012-2017), which includes the following priorities:

improving (1) risk assessment to inform DRM policy making (2) national and local capabilities for DRM and emergency management (3) risk prevention and mitigation including climate change and adaptation (4) and post-disaster recovery to assist people recover their social and economic wellbeing, and (5) developing risk financing and insurance mechanisms.

## GFDRR ACHIEVEMENTS TO DATE

Since 2008, GFDRR has assisted the GoG strengthen its capacity to understand disaster risk and minimize risk at the local and national level. With GFDRR assistance the GoG identified disaster risks in four river basins covering 32 municipalities and 199 human settlements, which resulted in land use and urban zoning plans for 12 municipalities. The National System for Territorial Planning now addresses disaster risk. National building standards have been developed. Four municipalities of the Metropolitan Area of Guatemala adopted the national building standards and transferred the responsibility of adhering to norms to structural designers and contractors. GFDRR's post-disaster support to the GoG (2010 Agatha and Mt. Pacaya Eruptions, 2012 7.2 Earthquake) has also helped the Government continue to improve its ability to assess the impact of disasters, quickly respond, and further integrate risk reduction into both its reconstruction and long-term

development agenda. As part of developing a risk financing strategy, in 2010 a Development Policy Loan with a Deferred Draw Down Option (DPL with CAT DDO) was approved for Guatemala, which is linked to the country's commitment to pursue the implementation of national agendas for disaster risk reduction and management.

In addition, to strengthen the resilience and recovery capacity of farmers subject to drought, the GoG with GFDRR's assistance is developing its agricultural insurance markets to help transfer catastrophic drought risk and provide support to small vulnerable farmers. Achievements to-date include: the technical design for the agricultural databases needed to create insurance mechanism, a draft strategic plan and manual of operations prepared by and for the Agriculture Insurance Committee, training in risk management in agricultural insurance.

## LOOKING AHEAD

Over the next three years, GFDRR intends to assist the GoG implement the proposed National Strategy for Disaster Risk Reduction (2012-2017) and achieve the DRM objectives of the new Country Partnership Strategy for 2013-2016 by helping the government (1) improve and systematize the use of disaster risk information for public investments and land use

planning, (2) develop and implement a sustainable national DRFI strategy, including the development of the agriculture insurance markets, and (3) contribute to preventive planning in cities exposed to annual floods and landslides in a manner that integrates both CCA and DRM considerations.

# Background

## CLIMATE CHANGE & DISASTER RISK PROFILE

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Guatemala has been severely affected by natural hazards including earthquakes, volcanic activity, floods, hurricanes, storms, and landslides. The 1976 earthquake created the greatest human and economic losses to date, killing over 23,000 people and decreasing GDP by 23%. Other disasters include: Hurricane Mitch in 1988, with damage equivalent to 4.7% GDP; 2001 drought (0.1% GDP), Hurricane Stan in 2005 (4.1% GDP), the eruption of Mt. Pacaya and the passing of Tropical Storm Agatha in May 2010 (2.6% GDP combined), Tropical Storm E12 (0.81% GDP) and most recently the Sana Marcos earthquake in November 2012 (0.3% GDP<sup>1</sup>).

The vulnerability of Guatemala to natural hazards, external economic shocks, and violence, impinges on both economic growth and the achievement of fairer social outcomes. Twenty percent of households in the country reported being affected by Hurricane Stan in 2005, and the majority of them were poor. The volcanic eruption and the tropical storm events of 2010 also had devastating consequences in terms of loss of life and economic impact. Targeted social programs, even if modest, helped reduce the burden of these shocks on the poorest.

## GFDRR ENGAGEMENT

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<b>Source of Funding</b>	MDTF, T3
<b>Resources Awarded</b>	GFDRR TO UPDATE
<b>Resources Disbursed</b>	GFDRR TO UPDATE
<b>Number of projects</b>	Ongoing: 2; Completed: 2




## KEY INDICATORS

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<b>DRR Index<sup>2</sup></b>	WDI: 5/5
<b>DRI Class: 6/7</b>	GFDRR TO UPDATE
<b>Income Group</b>	Lower-Middle
<b>Population</b>	14.8 million
<b>GDP</b>	US\$3,178/capita
<b>Poverty</b>	53.7% of population
<b>Urban Population</b>	50% of total

## DRM/CCA IN POLICY PAPERS

(as assessed by the DRM specialist)

<b>Mainstreaming:</b>	Low	High
<b>National Dvt.</b>		
<b>WB-CPS</b>		
<b>EU-CSP</b>		

## NATIONAL PLATFORM

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The National Coordinator for Disaster Reduction (CONRED) is the leading agency for DRM. It operates as a coordinating mechanism providing a platform and the legal framework for inter-ministerial coordination in cases of emergency and disaster prevention. Formally declared to UNISDR.

## NATIONAL LEGISLATION

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The National Policy for DRR was approved in July 2011. Two instruments will guide its implementation: A National Strategy for DRR and an Action Plan, both in process of approval.

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1. SEGEPLAN, Informe Evaluacion Impacto del Terremoto de 2012.

2. The World Development Indicators (WDI) Disaster Risk Reduction progress score is an average of self-assessment scores, ranging from 1 to 5, submitted by countries under Priority 1 of the Hyogo Framework National Progress Reports (1-5 scale; 5=best). The Disaster Risk Index (DRI) is a mortality-based index developed in order to enable comparisons of countries hit by different hazard types (7 classes; 7=high mortality).

## GFDRR KEY PARTNERS

<b>National Services</b>	Ministry of Finance, SEGEPLAN, Vice Presidency, SE-CONRED
<b>International Organizations</b>	The World Bank, UNDP, International Federation of Red Cross and Red Crescent Societies (IFRC)
<b>Regional Organizations</b>	IADB, CABI, CEPREDENAC
<b>NGOs/CSOs</b>	CARE, Centre for International Studies and Cooperation (CECI), community leaders, private sector
<b>GFDRR Donors</b>	Brazil, EU, Japan, Spain, USA

## Project

## Description

### PROJECTS AWARDED BY GFDRR 2007-2013

#### Expanding DRM Capabilities in Guatemala by Integrating a Disaster Risk Financing and Insurance Strategy

2013 (Pipeline)



Support MoF to develop integrated DRFI strategy in order to reduce Guatemala's fiscal vulnerability to natural disasters. Expected outputs include: (1) assessment of economic and fiscal impact of natural disasters (2) review of post disaster financing system and strengthen of the National Fund for Disaster Attention

#### Guatemala: 7.2 Earthquake Damage assessment and recovery framework

(Ongoing)



Support Ministry of Planning (SEGEPLAN), Civil Protection (SE-CONRED), Vice Presidency and Coordinator for Earthquake Reconstruction with damage & losses assessment and recovery planning after the November 7, 2012 earthquake that affected the Northwestern region of the country. Outputs include: Damage and Loss Assessment (conducted with government ministries, IADB, UNECLAC); engineering assessment of causes of earthquake damage (conducted by EERI and AGIES), support to housing reconstruction program, establishment of a multi-sector seismic risk management committee (chaired by SE-CONRED), and peer to peer learning with Colombian experts involved in earthquake recovery and land use planning.

#### Agriculture Insurance Market Development

US\$500,000 | Start date 2014 (Ongoing)



GFDRR is working with MAGA to develop an agriculture insurance market in Guatemala. The focus will be on making weather and agriculture statistics available to insurance companies, developing a public-private sector strategy for agriculture insurance, and capacity building for offering agriculture insurance.

#### Scientific Information for Municipal Preventive Planning

US\$729,538 | 2008–2011 (Completed)



Promoted preventive municipal planning to reduce disaster in Guatemala and incorporate the risk management in developing planning process. Outputs included: (1) Methodologies for hazard and vulnerability analysis, used by SEGEPLAN, Municipalities and SE-CONRED (2) Hazard flooding maps for four basins, covering 32 municipalities and 199 human settlements (3) Land use and urban zoning plans for 12 municipalities of one priority basin (4) Risk information incorporated into the National System for Territorial Planning (5) Updated national building code (6) Safe Hospital Index by PAHO implemented in four hospitals (7) Establishment of a National Platform for DRR.

#### Post-Disaster Needs Assessment

US\$73,000 | 2010 (Completed)



Supported SEGEPLAN with assessing the damages and losses from two disasters to inform the recovery process. Outputs included (1) Damage and Loss Assessment (2) technical assistance to the government with overall recovery effort.

## SYNERGIES WITH OTHER STAKEHOLDERS

<b>CABEI</b>	The Central American Bank for Economic Integration (CABEI) is supporting modernization of the National Institute of Seismology, Volcanology, Meteorology and Hydrology (INSIVUMEH).
<b>CEPREDENAC</b>	As the regional DRM coordination agency, Central American Centre for Natural Disaster Risk Management (CEPREDENAC) was awarded an Institutional Development Fund grant, Consolidating Disaster Risk Management Policy in Central America—Support to PCGIR, to support national policies for risk reduction. Guatemala has benefited from this grant through capacity building activities for the development of a manual to manage humanitarian aid in case of disasters.
<b>EU</b>	The European Commission has run the Program for the Reduction of Vulnerability and Environmental Degradation.
<b>IADB</b>	Between 2009 and 2010, the Inter-American Development Bank (IADB) implemented two projects related to disaster risk management in Guatemala: (i) the development and application of a Risk Assessment Platform (CAPRA); and (ii) the formulation of a national policy for risk reduction. It has reallocated funds to support the 2012 earthquake reconstruction process.
<b>Spain</b>	Spain has provided financial support (through the Spanish Fund for Latin America and the Caribbean, SFLAC) for probabilistic risk assessments in the region to CEPREDENAC, under the Central America Disaster Risk Reduction and Climate Change Adaptation Initiative. In Guatemala, this initiative will support a CAPRA study on Guatemala City to estimate landslide and flood hazard impacts.
<b>UNDP</b>	The United Nations Development Program provides institutional support to technical groups related to risk reduction and land use planning.
<b>The World Bank</b>	Disaster Risk Management Development Policy Loan with a Catastrophe Deferred Drawdown Option (CAT DDO): The CAT DDO allowed the Government to quickly respond to the damages caused by the eruption of the Pacaya Volcano and the passing of Tropical Storm Agatha in May 2010. In June 2010, the Government disbursed the full balance of the CAT DDO to obtain liquidity and finance part of the reconstruction and other expenses, such as (a) expanding the country's meteorological, hydrometric, and seismic monitoring networks by 56%, 56% , and 29 % , respectively, relative to the levels of February 2009; (b) development of 12 municipal land-use plans that incorporate risk analyses; (c) and incorporating DRM considerations in new public investments and strengthening SEGEPLAN.