Seismic Safety Improvement Program (RRP ARM 49078)

PROGRAM SOUNDNESS ASSESSMENT

A. Program Description

1. The Seismic Safety Improvement Program will support the implementation of Armenia’s National Strategy for Disaster Risk Reduction\(^1\) by improving the seismic safety of schools. This will reduce casualties and damage to schools during earthquakes, and enable better use of school buildings as shelters for the general public and as focal points for emergency response after earthquakes.

2. Most public buildings, particularly school buildings constructed during the Soviet time, were not designed to meet the earthquake hazard conditions. There is a strong possibility that these school buildings will collapse in a moderate or strong earthquake. Armenia has about 1,400 public schools, of which about 1,000 need retrofitting or reconstructing, with an estimated cost of more than $1.2 billion. Under its School Strengthening and Renovation Program, the government, realizing its resource constraints, has prioritized 377 schools of high seismic risk for implementation during 2015–2035. The overall estimated cost of the School Strengthening and Renovation Program is $617 million.

3. The Seismic Safety Improvement Program will support the implementation of the School Strengthening and Renovation Program covering activities during 2015–2020. The overall estimated cost of the Seismic Safety Improvement Program is $107.0 million, including a proposed Asian Development Bank (ADB) loan of $88.5 million and government contribution of $18.5 million. The Seismic Safety Improvement Program is designed as a results-based lending (RBL) program.\(^2\) The scope of both the School Strengthening and Renovation Program and the Seismic Safety Improvement Program is in following table.

<table>
<thead>
<tr>
<th>Item</th>
<th>Broader Government Program(^3)</th>
<th>Results-Based Lending Program</th>
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<tbody>
<tr>
<td>Outcome</td>
<td>Improved coverage of seismically safe school buildings</td>
<td>Same as government program</td>
</tr>
<tr>
<td>Key outputs</td>
<td>(i) increased seismic resilience of school buildings; (ii) strengthened seismic disaster preparedness and response capacity; (iii) improved supportive policies and systems for seismic disaster risk management and reduction; and (iv) enhanced national capacity in executing and implementing the seismic safety investment program</td>
<td>Same as government program</td>
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<tr>
<td>Program expenditure</td>
<td>$617.0 million</td>
<td>$107.0 million</td>
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</table>
| Main financiers and the respective financing amounts | Government: $110 million  
Development institutions: $507 million | Government: $18.5 million  
ADB: $88.5 million |
| Geographic coverage           | Nationwide                                                        | Same as government program            |
| Executing agency              | Ministry of Territorial Administration and Emergency Situations   | Same as government program            |

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\(^2\) ADB. 2013. *Piloting Results-Based Lending for Programs*. Manila.
<table>
<thead>
<tr>
<th>Item</th>
<th>Broader Government Program&lt;sup&gt;a&lt;/sup&gt;</th>
<th>Results-Based Lending Program</th>
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<tr>
<td>Implementation period</td>
<td>2015–2035&lt;sup&gt;b&lt;/sup&gt;</td>
<td>2015–2020</td>
</tr>
</tbody>
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<sup>a</sup> School Strengthening and Renovation Program.

<sup>b</sup> Subject to debt sustainability.

ADB = Asian Development Bank.

Sources: Ministry of Territorial Administration and Emergency Situations and ADB.

4. The Seismic Safety Improvement Program’s impact is aligned with the National Strategy for Disaster Risk Reduction in establishing a resilient country, increasing the safety of individuals and society, and contributing to the sustainable development of the country. The key results areas and outputs, summarized in points (i)–(iv) below, are consistent with those of the School Strengthening and Renovation Program:

(i) **Results area 1: Increasing seismic resilience of school buildings.** The Seismic Safety Improvement Program will support the strengthening or reconstruction of at least 46 priority schools identified under the government’s School Strengthening and Renovation Program, in accordance with updated building codes and the guidelines for school building retrofitting. The strengthened or reconstructed school buildings will meet the internationally accepted seismic safety standards for an earthquake of Medvedev–Sponheuer–Karnik (MSK) scale IX. The strengthened or reconstructed school buildings will also meet the government’s requirements on energy efficiency,<sup>3</sup> with wheelchair accessible trails and sex-segregated toilets to enable better use of the school buildings as shelters for injured or disabled persons after earthquakes.

(ii) **Results area 2: Strengthening seismic disaster preparedness and response capacity.** An emergency response action plan will be developed for each school with buildings strengthened or reconstructed under the Seismic Safety Improvement Program to guide correct responses and evacuation in the event of earthquakes. Earthquake drill exercises will be conducted regularly in these schools. Awareness campaigns will be conducted for at least 46 communities in the same neighborhood as these schools to inform residents of the seismic risks and proper responses and behaviors during earthquakes. Vocational training will be provided to at least 100 construction managers and workers to improve their seismic strengthening construction technologies, techniques, and skills. In addition, equipment will be provided to modernize 15 seismic observation stations. At least 45 staff in the stations will be trained to improve their seismic monitoring and projection capacity.

(iii) **Results area 3: Improving supportive policies and systems for seismic disaster risk management and reduction.** The Seismic Safety Improvement Program will support (a) the review and update of the country’s building codes for school buildings to be harmonized with international seismic safety standards, and developing guidelines for school building strengthening and retrofitting in line with international best practices; (b) update of the School Strengthening and Renovation Program; and (c) update of the probabilistic seismic hazard map and seismic risk assessments. A financing strategy for seismic safety improvement and management of public infrastructure will also be developed under the Seismic Safety Improvement Program to guide the financing of the huge

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investment needs for seismic risk management and enhance the fiscal resilience against disasters.

(iv) **Results area 4: Enhancing capacity in executing and implementing the seismic safety investment program.** The Seismic Safety Improvement Program will strengthen the government’s capacity for effective program implementation, including providing additional staff for the Armenian Territorial Development Fund (ATDF, the program implementing agency), updating the ATDF operations manual, and developing or enhancing necessary systems and reports for program implementation and management. At least 30 staff working on program implementation and management, at least 40% of whom will be women, will be trained in the areas of project implementation and management, financial management and reporting, procurement, environmental safeguards, social and gender development, and monitoring and evaluation.

B. **Program Soundness**

1. **Relevance and Justification**

5. Children are at most risk during earthquakes and other disasters—they typically represent 50%–60% of those affected. Spending on protecting lives of children through systematic strengthening and reconstruction of schools, as well as making children aware of safe evacuation procedures and wider disaster risk, is viewed as an investment in saving lives and improving productivity from each life saved. In addition, in the event of a major earthquake, destroyed schools can only become functional several months after the disaster, with long-lasting detrimental effects on human capital outcomes. As part of its medium-term strategy to mitigate damage from future earthquakes, the government has prioritized school buildings for seismic retrofitting and reconstruction. Given the vulnerable state of the school buildings, their importance to the general public, and their intended use as shelters after earthquakes, public spending on strengthening of school buildings is justified.

6. The Seismic Safety Improvement Program echoes the key focus areas advocated by the National Strategy for Disaster Risk Reduction and is in line with the four priorities identified in the Sendai Framework for Disaster Risk Reduction, 2015–2030: (i) understanding disaster risk; (ii) strengthening disaster risk governance to manage disaster risk; (iii) investing in disaster risk reduction for resilience; and (iv) enhancing disaster preparedness for effective response, and rebuilding better in recovery, rehabilitation, and reconstruction. The Seismic Safety Improvement Program supports the objective of equitable and sustainable urban development under the results framework of ADB’s country partnership strategy for Armenia, 2014–2018. It is aligned with the Urban Operational Plan, 2012–2020 in terms of planning and investing in infrastructure and services for sustainable urban systems and promoting an improved environment and resilience. The program is aligned with ADB’s Operational Plan for Integrated Disaster Risk Management, 2014–2020.

7. RBL is a suitable modality for the Seismic Safety Improvement Program because

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the government has formulated the School Strengthening and Renovation Program in which the RBL program can be anchored;

the government has gained and demonstrated reasonable capacity through implementing investments in school seismic strengthening and renovation using its own systems and through implementing projects funded by development partners;

using the government’s systems will provide incentives and open opportunities for the government to further improve its systems and enhance its already strong ownership in implementing the program;

it will provide a platform for the government to effectively coordinate various donor support, fostering development coordination and harmonization for maximum development impact; and

it enables ADB to disburse for results related not only to seismic strengthening of schools but also to quality at completion, institutional strengthening, and capacity development.

8. ADB support under the Seismic Safety Improvement Program will be guided by the principles of (i) alignment with national priorities and support for national programs, (ii) use of government systems to the extent feasible, (iii) complementarity with government and development partner investments, (iv) building on lessons from past projects and programs, and (vi) support for innovation.

9. The Seismic Safety Improvement Program’s design has taken into consideration the lessons learnt from earlier operations in seismic disaster recovery and risk management, including 10 lessons summarized by ADB’s Independent Evaluation Department in response to Nepal’s earthquake of 25 April 2015.\(^8\) In addition, lessons learned from implementing RBL in other programs have also been incorporated in the program’s design, including the need to have a small number of disbursement-linked indicators, a strong focal unit dedicated to RBL implementation, actions to strengthen government systems, and a disbursement protocol that is not overly complicated or ambitious.

10. **Beneficiaries.** The primary beneficiaries of the program will be approximately 58,700 students, teachers, and other school staff. The program will directly benefit about 18,000 students and 3,100 teachers and other school staff upon its completion in 2020, and an additional 37,600 expected new entrants during 2022–2040 by providing them with better protection against seismic disasters and making them aware of the seismic risks and proper responses during seismic emergencies. In addition, the strengthened and reconstructed school buildings will also benefit about 87,500 residents near the schools by providing temporary shelters for them during seismic events and emergencies as well as through the awareness programs which will enable them to make their houses safer and react better during a disaster. The updated building code; improved design, construction, and oversight; and the strengthened government policies for environmental safeguards and social and gender development will benefit the whole nation. The wheelchair accessible trails constructed for retrofitted schools will enable the schools to better serve disabled and injured people in their functions as shelters, temporary hospitals, and dormitories after earthquakes.

11. **Stakeholder support.** In 2012, the government established a national multisector coordination body—the Disaster Risk Reduction National Platform—to encourage state, nongovernment, private, and international institutions to participate in consultation and decision-

making processes for disaster risk management. Extensive consultations have been undertaken with a broad array of stakeholders to formulate the National Strategy for Disaster Risk Reduction and develop the School Strengthening and Renovation Program, including parliamentarians and members of academic institutions and government agencies, parent and teacher associations, and civil society organizations (CSOs). Additional consultations were also conducted during the design and preparatory process of the Seismic Safety Improvement Program, particularly with research organizations working on seismic safety and assessments, CSOs focusing on children’s welfare especially in distant communities, women’s organizations, parent and teacher associations, and other community members. All stakeholders consulted were quite aware of the major risks the aging school buildings pose to students and teachers in the event of a major earthquake and welcomed the government’s initiative to strengthen or reconstruct the school buildings. The stakeholders also highlighted the importance of (i) the seismic disaster preparedness and response capacity in mitigating casualties and damage during earthquakes, and (ii) broader participation of stakeholders in developing disaster response plans which are responsive to local settings. Information sharing, consultation, collaboration, and partnership with civil society organizations, communities, and other stakeholders will continue during program implementation. A grievance redress mechanism will be established and included in the ATDF operations manual to address social and environmental issues. Having representatives from four CSOs on the ATDF supervisory board, which will serve as the program steering committee, will help to ensure that the feedback and recommendations of stakeholders will continue to be incorporated during the program implementation.

12. **Gender impacts.** The Ministry of Territorial Administration and Emergency Situations (MOTAES) is responsible for implementation of the National Strategy for Disaster Risk Reduction, which provides for, among others, consideration of the different but equal needs of women and men in disaster risk management and encouraging women’s participation in decision-making processes. It also provides for raising public awareness of disaster risk and building a culture of safety and resilience among the population. Armenia’s Gender Policy Strategic Action Plan also calls for gender assessment and monitoring in emergency situations and the provision of mechanisms and resources to mainstream gender at the national, regional, and community levels in the management of emergency situations. However, the social and gender assessment of the program reveals the following gaps and risks: (i) limited participation of women in disaster risk management; (ii) limited awareness of students and community members, especially of women often left at home with young children and the elderly, on seismic and disaster risks; (iii) limited collection of sex-disaggregated data in disaster management; and (iv) lack of systematic emergency response plans both at the school and local community level. To address these risks and gaps, the Seismic Safety Improvement Program has incorporated social and gender indicators and actions in the design monitoring framework, disbursement-linked indicators, and program action plan. The ATDF has a social and gender focal person and more systematic gender training will be provided for ATDF’s management and technical staff to incorporate a gender perspective in the program implementation.

2. **Adequacy**

13. **Effectiveness.** The Seismic Safety Improvement Program design is based on international best practices and actual experience in evaluating and strengthening thousands of schools throughout the world, including those in Armenia. The best immediate parallels are the
Istanbul Seismic Mitigation and Emergency Preparedness Program\textsuperscript{9} and the Romania Hazard Risk Mitigation and Emergency Preparedness Program.\textsuperscript{10} Other major, decades-long programs are the California and Japan school earthquake risk reduction programs.\textsuperscript{11} These two programs have been extensively and successfully tested by numerous destructive earthquakes. Experience shows that earthquake risks to schools can be effectively reduced if the program is well designed and if there is significant and disciplined oversight of engineering design and construction.

14. The comprehensive approach adopted by the Seismic Safety Improvement Program encompasses four important results areas that complement each other in effectively achieving the outcome of reduced casualties in and damage to schools during earthquakes. Adequate supportive policies and systems and strong capacity for planning and implementing seismic safety investments lay a long-term foundation for managing seismic disaster risks in a country. Increased seismic resilience of school buildings provides immediate protection to students and teachers from earthquake disasters and enables the use of school buildings as emergency shelters during earthquakes. Experience from the Spitak earthquake showed that about 50% of the injuries and casualties were caused by inappropriate responses and behavior during the earthquake. Proper seismic disaster preparedness and response, including public awareness of seismic risks, is an effective and essential element to ensure that damage and casualties are reduced to the maximum extent possible. The four results areas of the Seismic Safety Improvement Program have a strong causal relationship with the outcome following the results chain. The results areas chosen and performance targets set in the design are adequate to achieve the overall program goals, and the RBL modality fits well with the government’s shift towards results-based planning and management.

15. As the program is to address the important seismic safety issues, particular attention has been given in its design to the adequacy of the government’s seismic safety standards and building codes, design, quality control processes, quality of construction, and verification of works at completion to ensure the strengthened buildings will meet international seismic safety standards. Linking disbursements under the program not only to the number of school buildings strengthened or reconstructed but also to the quality of the strengthening works in meeting the targeted seismic standards at completion will further strengthen the government’s ownership and commitment to quality control and ensure the delivery of the program outcome and the success of the program.

16. **Efficiency and economy.** The National Strategy for Disaster Risk Reduction, approved in 2012, defines the establishment and development of an efficient system for disaster risk reduction and mitigation as one of the most important factors for sustainable development of the country. The strategy aims to improve the country’s resilience to disasters, increase the safety of individuals and society, and contribute to sustainable development. It defines seismic risk as a primary disaster risk for the country. The strategy identifies the need to set up disaster risk reduction priorities in every sector, including renovation and reconstruction of schools, and recognizes the need for information sharing and raising public awareness of disaster risk reduction as an essential parallel activity.


17. The Seismic Safety Improvement Program is designed on the basis of the government’s School Strengthening and Renovation Program. The School Strengthening and Renovation Program assessed all public schools in Armenia and prioritized 377 schools of high seismic risk and impact using comprehensive criteria covering (i) seismic hazard levels of the school locations, (ii) vulnerability level of the building types; (iii) the number of students; (iv) the age of the school buildings; (v) technical and physical conditions; (vi) the existence of secondary hazards; and (vii) the existence of high-vulnerability buildings, structures, and objects adjacent to the school buildings. This will ensure that the investment under the Seismic Safety Improvement Program will be used for the top priority schools in terms of seismic safety improvement needs.

18. The Seismic Safety Improvement Program focuses largely on preventive and mitigating measures for reducing earthquake casualties and damage, as the National Strategy for Disaster Risk Reduction has noted that investing in prevention and mitigation processes is 7–10 times more cost-effective as compared to the costs of disaster recovery, and has the added benefit of saving thousands of students’ lives should an earthquake occur during school hours. The costs for school building retrofitting and reconstruction are estimated based on the most effective technical solution for each type of school as required by the seismic safety standards and are comparable with international experience. The technical solution for each school building will be further detailed, updated, and improved during the detailed design to ensure that the least-cost solution is adopted. Additional support for improving seismic disaster preparedness and response capacity, strengthening supportive policies and systems for seismic disaster risk management, and enhancing capacity in executing and implementing the seismic safety investment program will complement the physical investment to maximize the program’s development impact and improve its sustainability. Given the intensive support of development partners and CSOs in seismic safety in Armenia, the Seismic Safety Improvement Program seeks to maximize the use of their strengths and resources and to avoid duplication through cooperation and partnerships.

19. **Sustainability.** The Seismic Safety Improvement Program aims to build a culture of safety and resilience to seismic disaster among the population by raising public awareness of disaster risk. The strengthened supportive policies and systems for seismic disaster risk management and enhanced capacity in executing and implementing the seismic safety investment program will have long-term benefits for the population in terms of seismic risk management. Rehabilitated school buildings are generally well maintained in Armenia and the budget allocation for the maintenance and preservation of all school buildings is made through the MOTAES to local government. The government assures that the funding requirements for maintenance of the school buildings renovated under the program will be adequately provided.

### 3. Financial and Economic Analysis

20. **Financial analysis.** No cost recovery or revenue-generating activities are expected under the Seismic Safety Improvement Program, as the school buildings are government owned and basic education is compulsory in Armenia. The financial analysis and assessment for the program have been conducted on the program expenditure framework and financing and fiduciary systems assessment covering financial management, procurement, and anticorruption arrangements.\textsuperscript{12}

\textsuperscript{12} Available from the list of linked documents in Appendix 2 of the RRP.
21. **Economic analysis.** The economic analysis for the Seismic Safety Improvement Program has been integrated into various assessments conducted for the program covering macroeconomic context, sector context, economic rationale, demand analysis, adequacy and effectiveness of program design, cost efficiency analysis, sustainability and risk analysis, and monitoring and evaluation arrangements assessment.

22. Given the vulnerable state of the school buildings, their importance to the general public, and their intended use as shelters after earthquakes, public spending on strengthening school buildings is justified. Under the program, school buildings are assessed and prioritized based on comprehensive criteria, to ensure the economic efficiency of the investment. The program will support the update of the building codes to ensure they are equivalent to international standards. Development of guidelines for building retrofitting and/or reconstruction will guide proper strengthening of school buildings in accordance with the targeted seismic safety standards. The costs for school building retrofitting and reconstruction are estimated based on the most effective technical solution, as required by the seismic safety standards. Additional support for improving seismic disaster preparedness and response capacity, strengthening supportive policies and systems for seismic disaster risk management, and enhancing capacity in executing and implementing the seismic safety investment program will complement the physical investment to maximize the program’s development impact and improve its sustainability. Given the difficulties in assigning a monetary value for the lives saved and in forecasting the timing of the benefits (i.e., when an earthquake will happen), it is not cost effective to conduct a cost–benefit analysis for the Seismic Safety Improvement Program.

4. **Implementation Arrangements**

23. The Seismic Safety Improvement Program will be implemented from November 2015 to November 2020. The MOTAES will be the executing agency and the ATDF under the MOTAES will serve as the program implementing agency. The ATDF board will serve as the program steering committee to oversee the program implementation. It will set the policy guidelines and strategic direction for the program. The ATDF board consists of the prime minister (chair), a vice-prime-minister, minister of territorial administration and emergency situations, minister of finance, minister of economy, minister of urban development, minister of education and science, minister of labor and social affairs, representatives from four CSOs (Vardanants Knights, Hayastan All Armenia Fund, Armenian General Benevolent Union, and Aznavour for Armenia charitable organization), and the ATDF executive director. A focal unit for the program will be established in the ATDF to monitor and report on progress in attaining DLIs.

24. **Fiduciary function.** The government’s annual budget execution reports are prepared according to a consistent format, guided by Soviet-era accounting instructions which are not consistent with International Public Sector Accounting Standards. Audit is not fully consistent with International Organization of Supreme Audit Institutions standards, and audit opinion does not fully reveal the accounting standards used by the government or the standards used by the audit. Given this situation, a dedicated program account will be established for the program, applying international standards on accounting, reporting, and auditing. All procurement activities under the program will be conducted by the ATDF. Major contracts expected under the program are civil works contracts with an average contract size of $1.5 million–$2.0 million. The

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13 Prioritization criteria include seismic hazard levels of the school locations; vulnerability level of the building types; number of students; the age of the school buildings; technical and physical conditions; existence of secondary hazards; and existence of high-vulnerability buildings, structures, and objects adjacent to the school buildings.
ATDF has been satisfactorily implementing projects funded by the World Bank following national competitive bidding procedures adjusted for World Bank guidelines.

25. **Safeguard functions.** The Seismic Safety Improvement Program is classified category B for environment; no significant negative environmental impact or impact on environmentally sensitive areas is envisaged under the program. The potential negative environmental impact associated with strengthening and renovating school buildings is mostly localized and temporary, and can largely be avoided through proper design and construction practice or mitigated through proper mitigation measures and environmental management. The ATDF will be strengthened to implement environmental safeguard actions in line with the principles applied by the government and ADB’s category B safeguards requirements. A screening check list has been developed by the ATDF with ADB support to ensure that any program activities which may fall under ADB category A for environment (as defined in the Safeguard Policy Statement [2009]) will be excluded. As strengthening and reconstruction of school buildings will be at existing locations, the program activities will not require land acquisition or involuntary resettlement. The program is not expected to affect any indigenous peoples defined as such in ADB’s Safeguard Policy Statement, as Armenia is fairly homogeneous in ethnic composition.

26. **Monitoring and evaluation.** The ATDF has reasonably well-developed systems with databases and management information systems (MISs) largely focused on inputs and outputs. The ATDF’s MIS and monitoring and evaluation functions will be modestly restructured and expanded to cater to the new elements under the Seismic Safety Improvement Program, including (i) increasing staff strength and improving their capabilities through training, capacity development, and consultancy support; (ii) strengthening the ATDF’s MIS to incorporate the Seismic Safety Improvement Program’s specific indicators, including social and gender indicators; and (iii) developing capacity to assess quality, verify design and building standards, and validate technical and social assessments conducted under the program.

27. **Reviews.** ADB will monitor the implementation of the Seismic Safety Improvement Program through regular technical and financial review missions. Annual reviews will assess and verify the achievement of the DLIs that will be the basis for fund disbursements. A midterm review mission will be conducted after 2 years of the program, coinciding with the annual review mission. The mission will review and revise the DLIs based on the implementation experience and performance up to that time.

C. **Managing Risks and Improving Capacity**

28. The soundness assessment shows that the Seismic Safety Improvement Program is well justified in terms of its effectiveness and efficiency in achieving the expected impact on improved seismic safety of school children in Armenia. The program will support overall economic development by protecting students from death and injury, reducing the government’s economic risk and cost of reconstruction in the event of a major earthquake, and through better sustainability as the renovated school buildings will have lower operating and maintenance costs with improved construction and energy efficient heating and ventilation systems.

29. The Seismic Safety Improvement Program is an innovative and challenging results-based program introduced for the first time in Armenia. The result-based approach implies more responsibility and accountability on the government side. Therefore, successful implementation of the program will require the continued commitment of the government and stronger capacity, specifically on the part of the MOTAES and ATDF, to implement the program.
30. A key risk related to the Seismic Safety Improvement Program is that the strengthened or reconstructed buildings may fail to withstand earthquakes of targeted scale, because of outdated building codes, an absence of building retrofitting guidelines, and inadequate quality control. The design of the program has addressed this risk with a comprehensive approach starting with revising building codes for school buildings to match with international standards, developing guidelines for building strengthening and retrofitting, adopting internationally accepted design standards and construction specifications, rigorous technical and managerial supervision and monitoring of outputs and outcomes; and validating construction quality at completion. Linking disbursements under the program to the quality of the strengthening works at completion in meeting the targeted seismic standards will further strengthen the government’s ownership and commitment to quality control throughout the program implementation to avoid inadequate strengthening and reconstruction of the buildings.

31. Another risk is that the program implementation may be delayed because of inadequate staff and capacity of the ATDF and challenges in coordinating various government agencies involved in the program. To address and mitigate this risk, actions to strengthen the ATDF with additional staff resources and trainings, update its operations manual, and enhance its operations and monitoring and evaluation systems have been included in the program action plan with results linked with disbursement in years 1 and 2. The ATDF board, chaired by the prime minister and consisting of ministers of relevant ministries, will serve as the program steering committee and coordinate various agencies involved in program implementation.

32. The government has shown strong commitment, enthusiasm, and openness to learn, adapt, and adjust its policies and systems to better manage the seismic risk in the country. The RBL modality provides extra incentives for the government to proactively improve its policies and systems and strengthen its capacity for program implementation. Given that the Seismic Safety Improvement Program is the first RBL program in the country, capacity development technical assistance has been formulated to provide external advisory support to the government and the ATDF in these efforts. However, once the Seismic Safety Improvement Program is successfully implemented, it is expected that the government and the ATDF will become more confident in and capable of planning and implementing actions and investments for seismic safety improvement in the country.