



### Project Summary Information

Date of Document Preparation: April 30, 2020	
<b>Project Name</b>	Climate Resilience Improvement of National Road 13 South Project
<b>Document Code</b>	PD000373-PSI-LAO
<b>AIIB member</b>	Lao People's Democratic Republic
<b>Sector/Subsector</b>	Transport / Roads (non-urban)
<b>Status of Financing</b>	Under Preparation
<b>Project Description</b>	The proposed project is part of a larger government program of rehabilitation and maintenance of the 275 km long National Road 13 south (NR13S), comprising a two-lane section, from km 71 Vientiane Capital to km 346 Khammouane Province delivered through a 10-year Output and Performance-Based Road Contract (OPBRC) under Design, Build, Maintain, Operate and Transfer (DBMOT) methodology. The program consists of four sections of the NR13S. The Project will cover Section 3 (78 km long, from km190 to km268). A separate World Bank (WB) supported project will cover Section 1, and a European Investment Bank (EIB) supported project will cover Sections 2 and 4 including the construction supervision of all four sections. The Government of Lao (GoL) will finance the operation and maintenance of all sections.
<b>Objective</b>	To improve the road condition, safety, and climate resilience of the south section of the National Road 13.
<b>Expected Results</b>	<ul style="list-style-type: none"> <li>i. Road condition: Improved road condition resulting in reduction in vehicle operating cost on the Project road (Percentage);</li> <li>ii. Road safety: Improved road safety resulting in increase in average International Road Assessment Program (IRAP) star rating of the Project road (Number);</li> <li>iii. Climate resilience: Improved road design resulting in project road upgraded and improved with climate resilience measures (Yes/No).</li> </ul>
<b>Environmental and Social Category</b>	Category B

<b>Environmental and Social Information</b>	<p>AIIB's Environmental and Social Policy (ESP), including the Environmental and Social Standards (ESSs), and Environmental and Social Exclusion List (ESEL), is applicable to the project. ESS 1 (Environmental and Social Assessment and Management) and ESS 2 (Involuntary Resettlement) also apply to the Project. Applicability of ESS 3 (Indigenous Peoples) will be assessed during subsequent stages of Project preparation. Based on the available information, the project has been identified as Category B.</p> <p>An Environmental and Social Management Plan (ESMP) and a Resettlement Action Plan (RAP) have been prepared for this Project. In addition, an Ethnic Group Engagement Plan (EGEP) will be prepared if any ethnic minorities are determined to exist in the area. A Gender Action Plan (GAP) will also be prepared. The ES documents are living documents and will be updated during the preparation and implementation of this Project.</p> <p>The Project is largely expected to create positive environmental and social impacts. The involuntary resettlement impacts of the Project, as determined on the basis of the conceptual design, include 11.4 m<sup>2</sup> of affected residential land; 2 affected houses with affected area of 13 m<sup>2</sup> (one entire house shall be relocated); 16 affected shops with affected area of 331 m<sup>2</sup>; 20 porches of house with affected area of 267 m<sup>2</sup>; 56 shop porches with affected area of 761 m<sup>2</sup>; 4 huts with affected area of 137 m<sup>2</sup>; affected other structure of 8m concrete fence; 48 m<sup>2</sup> shop sign and advertisement signs and 1,633 m<sup>2</sup> concrete slab floor; and 4 electricity poles.</p> <p>The RAP has been prepared to address these resettlement impacts. The negative environmental impacts of the Project are expected to be limited since the existing alignment will be used for the road improvement under the proposed Project. The mitigation measures have been proposed in the ESMP to address the identified risks and adverse impacts. The project is expected to reduce Green House Gas (GHG) emissions from traffic per kilometer traveled. Climate resilience design will also be incorporated into the detailed design of the road.</p> <p>The consultations were conducted for the National Road 13 South Program in 2019. Further consultations will be carried out during the development of the above-mentioned ES documents. Continuous consultations will be undertaken during construction. The draft ES documentation will be disclosed in English, Lao and the relevant indigenous language(s) as appropriate, both online and made available in hard copy in the Project area. The documents will also be posted on the client's and Bank's websites.</p>
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	A multi-tier project Grievance Redress Mechanism (GRM) has been proposed in the ESMP and the RAP. Communities and individuals who believe that they are adversely affected by the Project may submit complaints to the project-level GRM.			
Cost and Financing Plan	Project Cost and Financing Plan			
	Item	Project Cost (USD m)	Financing (USD m and %)	
			AiIB	GoL*
	Base Cost			
	Component 1: Civil Works of 78 km long section from km 190 to km 268	35	30	5
	Component 2: Land Acquisition and Resettlement.	1	-	1**
	Total Cost***	36	30 (83%)	6 (17%)
	Note: *Counterpart fund will come from Road Fund and annual budget allocations.			
**All cost related to land acquisition and resettlement will be borne by GoL.				
***10% Contingencies are already embedded in project costs. Any additional contingencies will be covered by GoL.				
Borrower/Investee Company/Counterparty/Guaranteed entity	Lao People’s Democratic Republic			
Implementing Entity/Sponsor	Ministry of Public Works and Transport			
Estimated date of loan closing (SBF)/Estimated date of last disbursement	July/2024			

<b>(NSBF)</b>			
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<b>Date of Concept Decision</b>	April/2020		
<b>Date of Appraisal Decision/Estimated Date of Appraisal Decision</b>	June/2020		
<b>Date of Financing Approval/Estimated Date of Financing Approval</b>	Q3/2020		

<b>Independent Accountability Mechanism</b>	<p>The Project-affected People's Mechanism (PPM) has been established by the AIIB to provide an opportunity for an independent and impartial review of submissions from Project-affected people who believe they have been or are likely to be adversely affected by AIIB's failure to implement its Environmental and Social Policy in situations when their concerns cannot be addressed satisfactorily through Project-level Grievance Redress Mechanisms or AIIB Management's processes.</p> <p>For information on how to make submissions to the PPM, please visit <a href="https://www.aiib.org/en/policies-strategies/operational-policies/policy-on-the-project-affected-mechanism.html">https://www.aiib.org/en/policies-strategies/operational-policies/policy-on-the-project-affected-mechanism.html</a></p>
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