Early Warning System

ADB-50316-002

National Disaster Risk Management Fund (Additional Financing)

Early Warning System

National Disaster Risk Management Fund (Additional Financing)

ADB-50316-002

Quick Facts

Countries	Pakistan
Financial Institutions	Asian Development Bank (ADB)
Status	Approved
Bank Risk Rating	B
Voting Date	2019-01-18
Borrower	Government of Pakistan, National Disaster Risk Management Fund (NDRMF)
Sectors	Finance, Industry and Trade
Investment Type(s)	Advisory Services, Grant, Loan
Investment Amount (USD)	$ 202.30 million
Loan Amount (USD)	$ 200.00 million
Grant Amount (USD)	$ 2.30 million

Project Description

According to the bank website, "the Project will provide financial and technical support to the National Disaster Risk Management Fund (NDRMF), which is being established as a government-owned non-bank financial intermediary with a corporate structure. The NDRMF will reduce the socio-economic and fiscal vulnerability of the country and its population to natural hazards by prioritizing and financing investments in disaster risk reduction and preparedness that have high economic benefits, taking into account climate change, as well as disaster risks and their impacts.

The government will pass on ADB loan funds to the NDRMF as a grant, for on-granting by NDRMF to eligible implementing partners. The NDRMF will finance up to 70% of the cost of eligible subprojects that will enhance Pakistan's resilience to extreme weather events and other natural hazards. The NDRMF will also enter into insurance arrangements to develop markets for the transfer of residual risks that cannot be mitigated."

Early Warning System Project Analysis

As stated by the ADB, the project will not finance any category A subprojects. No significant adverse environmental impacts are anticipated, as most civil works will involve retrofitting or rehabilitating existing facilities. Negative impacts during construction will likely be short term, site-specific, and mitigable. An ESMS document has been prepared. The project may finance subprojects classified as category B in line with the requirements set out in the draft ESMS document.

Investment Description

- Asian Development Bank (ADB)

Co-financing:

Government of Switzerland US$ 1.50 million

Financial Intermediary

Financial Intermediary: A commercial bank or financial institution that receives funds from a development bank. A financial intermediary then lends these funds to their clients (private actors) in the form of loans, bonds, guarantees and equity shares. Financial intermediaries include insurance, pension and equity funds. The direct financial relationship is between the development bank and the financial intermediary.

- National Disaster Risk Management Fund (NDRMF, Pakistan) (Financial Intermediary)

Private Actors Description

As stated on the fund's website, NDRMF is a federal government non-banking financial intermediary exclusively focused to invest in Disaster Risk Reduction, Disaster Risk Financing and Climate Change across Pakistan, especially in most vulnerable regions of Pakistan. NDRMF provides grant financing to public and non-public sector entities for their interventions to reduce the socio economic and fiscal vulnerability of population to natural hazards by prioritizing and financing investments in disaster risk reduction and preparedness with high impacts.

Contact Information

Responsible ADB Officer Shafi, Mian S.
Responsible ADB Department Central and West Asia Department
Responsible ADB Division Pakistan Resident Mission
Executing Agencies
Economic Affairs Division (Old)
Pakistan Secretariat,(Old)
C Block, Islamabad, Pakistan

ACCOUNTABILITY MECHANISM OF ADB

The Accountability Mechanism is an independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an Asian Development Bank-financed project. If you submit a complaint to the Accountability Mechanism, they may investigate to assess whether the Asian Development Bank is following its own policies and procedures for preventing harm to people or the environment. You can learn more about the Accountability Mechanism and how to file a complaint at: http://www.adb.org/site/accountability-mechanism/main

Bank Documents

- Project Disclosure PDF [Original Source]

Media

- ADB, Norway Sign Agreement to Support Pakistan's National Disaster Risk Management Fund
- Natural Disasters Fund Helps Pakistan Reduce Vulnerability to Extreme Events

Other Related Projects

- ADB-50316-001 National Disaster Risk Management Fund