

 Early Warning System

ADB-50403-001

Strengthening Climate and Disaster Resilience of Myanmar
Communities



Quick Facts

Countries	Myanmar
Specific Location	Ayeyarwady division
Financial Institutions	Asian Development Bank (ADB)
Status	Approved
Bank Risk Rating	A
Voting Date	2017-03-31
Borrower	Government of Myanmar
Sectors	Climate and Environment, Infrastructure
Project Cost (USD)	\$ 7.50 million



Project Description

Over the last few years, the Government of Myanmar has strengthened its policy, capacity, and institutional landscape for disaster risk management (DRM) and climate change adaptation (CCA). Actions includes the adoption of the National Disaster Management Law, 2013; formulation of the Myanmar Action Plan on Disaster Risk Reduction, 2009 (currently being updated) and the National Adaptation Programme of Action, 2009; development of the Nationally Determined Contribution; ongoing formulation of the National Climate Change Strategy; ongoing formulation of the Myanmar National Framework for Community Disaster Resilience; establishment of the National Disaster Management Fund and the Disaster Management Training Center.

While these advancements demonstrate the commitment of the government to adopt a proactive approach towards strengthening climate and disaster resilience, there remain further needs to strengthen resilience to extreme weather events, including improving the understanding of disaster and climate risk, undertaking investments (structural and non-structural) at all levels to reduce risk, and strengthening the financial management of residual disaster risk. In particular, there has been limited effort to develop disaster risk financing (DRF) instruments for post-disaster response. The primary ex ante DRF instrument in use the budgetary reserve for post-disaster response is insufficient, thus requiring the government to rely heavily on international assistance and budget reallocations in the event of a major disaster. There has been no assessment of disaster risk from a fiscal perspective or associated financing gap analysis, which is a pre-requisite for designing sustainable comprehensive disaster risk financing strategies and individual instruments, such as insurance mechanisms. The limited financial capacity of agricultural farmers and small and medium enterprises to manage disaster risk including highly limited insurance coverage places additional contingent liability on government. Moreover, the current legislative and regulatory environment further puts the private insurance companies and microfinance institutions at risk and reduces their interest in expanding coverage in hazard-prone areas. For example, the current legislative and regulatory environment does not allow insurance companies to price their policies according to risk in a specific area, thereby reducing their interest in expanding coverage in hazard prone areas.

The CDTA aims to address these issues by taking a comprehensive approach of combining disaster risk reduction, CCA, and DRF. It will include outputs related to (i) strengthening climate and disaster risk governance; (ii) enhancing capacity to undertake disaster-resilient investments in agriculture and rural development; and (iii) increasing awareness and capacity for disaster risk financing. Recognizing the novelty of DRF in Myanmar, this comprehensive approach will help establish the building blocks that are prerequisites for identifying disaster risk financing policy priorities and developing solutions, while at the same time catalyzing climate- and disaster-resilient development. Activities will be primarily implemented at the national level and with specific pilots in Ayeyarwady region, because of its high risks to natural hazards (floods, tropical cyclones, tsunamis); high socioeconomic vulnerabilities, such as high population density (being among the three most populous region in Myanmar) with 32% of population below the poverty line; and high dependence on climate-sensitive livelihoods.

Project Outputs

1. Capacity of government agencies to understand climate and disaster risk at the national level and in Ayeyarwady region in Myanmar improved
2. Capacity of government agencies at the national level and of selected communities in Ayeyarwady region to undertake disaster-resilient investments in agriculture and rural development sector enhanced
3. Awareness and capacity for disaster risk financing among government and the private sector in Myanmar increased

CONSULTING SERVICES

The project will require about 170 person-months of international and 213 person-months of national consulting services with expertise in various aspects of disaster risk management (DRM), including disaster risk assessment, disaster risk management planning, disaster risk management capacity building, disaster risk management and gender, disaster risk



Investment Description

- Asian Development Bank (ADB)

Cofinancing:

Government of Canada US\$ 7.5 million



Contact Information

ACCOUNTABILITY MECHANISM OF ADB

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Bank Documents

- [Project Disclosure PDF](#)
- [Strengthening Climate and Disaster Resilience of Myanmar Communities: Technical Assistance Report](#) [Original Source]