

 Early Warning System

ADB-58054-002

Climate and Disaster Resilience Enhancement Program (Subprogram 1)



Quick Facts

Countries	Pakistan
Financial Institutions	Asian Development Bank (ADB)
Status	Approved
Bank Risk Rating	C
Voting Date	2024-10-29
Borrower	Government of Pakistan - Ministry of Finance
Sectors	Law and Government, Technical Cooperation
Investment Type(s)	Grant, Loan
Loan Amount (USD)	\$ 500.00 million
Grant Amount (USD)	\$ 1.00 million
Project Cost (USD)	\$ 501.00 million



Project Description

According to the Bank's website, the proposed program will support the enhancement of Pakistan's resilience to disasters triggered by natural hazards and the impacts of climate change. Through an integrated approach, the program will support (i) strengthened institutional capacity for strategy, planning, and response; (ii) increased investment in disaster risk reduction (DRR) and climate resilience; and (iii) enhanced disaster risk financing (DRF) using a risk-layered approach. A policy-based loan (PBL) is appropriate given the need for evidence-based policy dialogue, effective stakeholder consultation, and well-coordinated development partner support. The programmatic approach comprising two subprograms is adopted to sequence complex and strategic reforms across multiple implementing agencies, policies, and plans. Subprogram 1 will be a PBL, and subprogram 2 will be a PBL with a contingent disaster financing (CDF) option. This is ADB's first use of CDF using a PBL programmatic approach and the first CDF in the Central and West Asia Region.



Early Warning System Project Analysis

In compliance with ADB's Safeguard Policy Statement (2009), the program is classified as category C for environment, involuntary resettlement, and Indigenous Peoples. The program is not expected to have any adverse environmental or social safeguard impacts since no physical works are anticipated under the policy actions.



Investment Description

- Asian Development Bank (ADB)

The total program financing size is \$1.0 billion, comprising \$500 million for subprogram 1 for FY2025, and up to another \$500 million for a CDF for FY2026.

The government has requested a regular loan of \$500 million from ADB's ordinary capital resources to help finance subprogram 1. The loan will have a 15-year term, including a grace period of 3 years; an interest rate determined in accordance with ADB's Flexible Loan Product; a commitment charge of 0.15% per year; and such other terms and conditions set forth in the draft loan agreement. Based on the custom-tailored repayment type, the average maturity is 11.95 years, and there is no maturity premium payable to ADB.



Contact Information

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ACCESS TO INFORMATION

You can submit an information request for project information at: <https://www.adb.org/forms/request-information-form>

ADB has a two-stage appeals process for requesters who believe that ADB has denied their request for information in violation of its Access to Information Policy. You can learn more about filing an appeal at: <https://www.adb.org/site/disclosure/appeals>

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

- [Climate and Disaster Resilience Enhancement Program \(Subprogram 1\): Concept Note](#)
- [Climate and Disaster Resilience Enhancement Program \(Subprogram 1\): Report and Recommendation of the](#)
- [Implementing the Climate and Disaster Resilience Enhancement Program: Technical Assistance Report](#)
- [Loan Agreement \(Ordinary Operations\) for Loan 4514-PAK: Climate and Disaster Resilience Enhancement](#)

Media

- [ADB Approves \\$500 Million Loan to Support Climate and Disaster Resilience in Pakistan](#)