# WB-P179284

Lao PDR Climate Resilient Road Connectivity Improvement Project



## Lao PDR Climate Resilient Road Connectivity Improvement Project

## **Quick Facts**

Countries	Laos
Financial Institutions	World Bank (WB)
Status	Approved
Bank Risk Rating	В
Voting Date	2024-09-30
Borrower	Government of Laos - Ministry of Public Works and Transport
Sectors	Transport
Investment Type(s)	Loan
Investment Amount (USD)	\$ 56.00 million
Project Cost (USD)	\$ 56.20 million

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### **Project Description**

According to the Bank's website, the development objective of the Climate Resilient Road Connectivity Improvement Project for Lao People's Democratic Republic is to improve climate resilient road access in targeted provinces, enhance capacity to manage the road network, and, in case of an eligible crisis or emergency, respond promptly and effectively to it.

The project comprises of four components.

The first component, climate resilient road access will support: (i) improvement of approximately 300 km of district roads and rural roads in the provinces of Khammouan, Savannakhet, and Saravan to the standards of road design class V/VI as per Ministry of Public Works and Transport (MPWT's) road design manual, addressing climate and disaster resilience aspects, and maintenance of the Project roads post improvement during the Project period through output and performance-based road contracts (OPBRC) and or hybrid performance-based contracts (Hybrid PBC) and, (ii) construction supervision of the project road improvement works.

The second component, project management will support: (i) financial audit, (ii) technical audits of the project road improvement works during construction, (iii) environmental and social monitoring and audits, (iv) road safety audit of the project, road designs at three stages (at design, construction, and completion stages), and awareness campaigns, (v) road user satisfaction surveys carried out at the start of implementation of works, at mid-term, and at the close of the project, (vi) incremental operating costs, (vii) technical and operational assistance for the day-to-day management, monitoring and evaluation of the Project, and (viii) land acquisition, resettlement, and rehabilitation costs, including the implementation of resettlement action plan(s).

The third component, institutional development will support MPWT in: (i) capacity building of local contractors in the areas of OPBRCs, climate resilience, road safety, and environmental and social risk management, (ii) a study on climate resilient road network planning and prioritization and capacity building of MPWT and Department of Public Works and Transport (DPWTs), (iii) preparation of a road sector financing strategy, (iv) capacity building of selected MPWT and DPWT staff on cross-cutting issues including road maintenance, OPBRC contract management, road safety, gender, citizen engagement, and climate disaster risk, (v) institutional support for a female internship program, and (vi) preparation of selected environmental, social, technical, and economic documents as well as feasibility studies, through the provision of technical advisory services in the road sector in targeted provinces.

The fourth component, contingent emergency response will support MPWT in case of an eligible crisis or emergency in responding promptly and effectively to it as per the contingent emergency response manual.



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### **Early Warning System Project Analysis**

Overall Environmental and Social (E&S) risks is considered Moderate. Potential direct environmental impacts associated with the road improvement may include sourcing of material for earthworks, noise, dust, sedimentation, erosion, wastes generated from civil works, management of storm water, community safety related to traffic during construction and operation, occupational health and safety of the workers, worker camps, forests/land clearing beyond road corridors, encounter of unexploded ordnance (UXO), and intentional or accidental introduction of non-native flora species for stabilization of embarkment. Potential indirect impacts may be associated with improved road condition that may encourage additional encroachment of agricultural farms and infrastructure to the road-side forests which are already in degraded condition and cause further degradation of such forests or changes to other land use types. Road upgrade and the increased connectivity of road network may amplify illegal trades of timber and wildlife products from nearby Conservation Forests/Protected Areas and Protection Forests.

The project will not finance road sections within Protected Areas (PAs) with international or nationally significant biodiversity value that may cover Conservation Forests and Protection Forests so as to ensure avoidance of adverse impacts on key biodiversity, critical and natural habitats, and ecological functions as well as local population. Consultations with Ministry of Agriculture and Forestry, and its respective Provincial and District Offices, and other key stakeholders were undertaken to ensure that the proposed road sections for project financing do not fall within Protected Areas with internally and nationally significant biodiversity value. It was also confirmed by the PMU that there will be no possibilities of associated road sections in the nearby protected areas to be financed by the government or other donors. During the project implementation, site specific Biodiversity Management Plan (SS-BMPs) will be prepared for some road sections which are close to PAs (within 1 – 3 km) following the guidance provided in the project ESMF.

Social risk is also considered Moderate. Land acquisition and resettlement are expected to be minor as all main house structures and assets are located outside the road alignments and Corridor of Impact (COIs). Risks of Occupational Health and Safety (OHS) and Community Health and Safety (CHS) including risks of communicable diseases transmission, and SEA/SH, GBV and VAC are moderate and manageable due to limited influx of workers anticipated from outside local community, and from neighboring countries if foreign contractors are selected.

There are some ethnic groups that are defined as Indigenous Peoples (IPs) among the potential project affected people along the proposed road sections in the three provinces.

Road alignment may go through some Protection Forests and Production Forests and noise and frequent movement of traffic during construction.



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## **Investment Description**

• World Bank (WB)

IDA Credit: US\$ 48.00 million

IDA Shorter Maturity Loan (SML): US\$ 8.00 million

Borrower/Recipient: US\$ 0.20 million

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## Lao PDR Climate Resilient Road Connectivity Improvement Project

#### **Contact Information**

#### **World Bank**

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#### **Borrower/Client/Recipient**

Lao People's Democratic Republic

#### **Implementing Agencies**

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#### ACCESS TO INFORMATION

To submit an information request for project information, you will have to create an account to access the Access to Information request form. You can learn more about this process at: https://www.worldbank.org/en/access-to-information/request-submission

#### ACCOUNTABILITY MECHANISM OF THE WORLD BANK

The World Bank Inspection Panel is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by a World Bank-financed project. If you submit a complaint to the Inspection Panel, they may investigate to assess whether the World Bank is following its own policies and procedures for preventing harm to people or the environment. You can contact the Inspection Panel or submit a complaint by emailing ipanel@worldbank.org. Information on how to file a complaint and a complaint request form are available at: https://www.inspectionpanel.org/how-to-file-complaint

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## Lao PDR Climate Resilient Road Connectivity Improvement Project

#### **Bank Documents**

- Appraisal Environmental and Social Review Summary (ESRS) Lao PDR Climate Resilient Road Connectivi [Original Source]
- Appraisal Project Information Document (PID) [Original Source]
- Concept Environmental and Social Review Summary (ESRS) Lao PDR Climate Resilient Road Connectivity [Original Source]
- Concept Project Information Document (PID) Lao PDR Climate Resilient Road Connectivity Improvement [Original Source]
- Disclosable Version of the ISR Lao PDR Climate Resilient Road Connectivity Improvement Project P
- Environmental and Social Commitment Plan (ESCP) Lao PDR Climate Resilient Road Connectivity Improv [Original Source]
- Lao People's Democratic Republic Climate Resilient Road Connectivity Improvement Project [Original Source]
- Official Documents- Financing Agreement for Credit (A) 76320-LA and Credit (B) 76330-LA.pdf (English
- Revised Environmental and Social Commitment Plan (ESCP) Lao PDR Climate Resilient Road Connectivity [Original Source]
- Stakeholder Engagement Plan (SEP) Lao PDR Climate Resilient Road Connectivity Improvement Project [Original Source]
- Stakeholder Engagement Plan (SEP) Lao PDR Climate Resilient Road Connectivity Improvement Project (P [Original Source]

#### Media

• Three Lao Provinces to Get Better Roads through World Bank Project