

 Early Warning System

WB-P505224

Lao PDR: Improved Access to Disaster Risk Financing



Quick Facts

Countries	Laos
Financial Institutions	World Bank (WB)
Status	Proposed
Bank Risk Rating	B
Voting Date	2025-03-17
Borrower	Government of Laos - Ministry of Finance
Sectors	Finance, Law and Government
Investment Type(s)	Grant
Investment Amount (USD)	\$ 3.60 million
Project Cost (USD)	\$ 3.60 million



Project Description

According to the Bank's website, the objective of this project is to strengthen Lao PDR's financial resilience to disasters and climate shocks through improved access to pre-arranged risk financing mechanisms.

The operation will comprise a single component to support Lao PDR make a premium payment for pre-arranged risk coverage from the SEADRIF Insurance Company. Sub-component 1.1: Payment of Disaster Risk Insurance Premium Of the total grant amount of US\$3.6 million to the government of Lao PDR, US\$3.4 million will be used by the government to pay insurance premium to/through SEADRIF insurance company for an insurance policy and service in return. This is a one-time transaction where all the premium will be paid in one tranche. In case of the insurance payout is made, the funds will be eligible to finance repair or rehabilitation of public assets damaged or destroyed by disasters, but not (re)building. The insurance payout can also be used for non-infrastructure expenses as provided in the contingency plan approved by the World Bank. Sub-component 1.2: Support for management of E&S risks The remaining grant amount of US\$200,000 will be utilized to assist the recipient manage the environmental and social risks for activities funded from the proceeds of a payout, as and when such a payout is made.



Early Warning System Project Analysis

Environmental and Social risk of activities to be supported under the insurance payouts are expected to be Moderate or Low. The new infrastructure subprojects will not be eligible for project financing, but the insurance payout can be used for non-infrastructure expenses such as social protection payouts, school feeding or the purchase of medical supplies and equipment. The exclusion list together with risk classification guideline provided in the SEADRIF's ESMS will be used to screen out any proposed new infrastructure subproject or activity with High or Substantial E&S risk. The new infrastructure or subprojects with High or Substantial risk will be excluded.



Investment Description

- World Bank (WB)

Trust Funds:

- Southeast Asia Disaster Risk Insurance Facility (SEADRIF) Pr: US\$ 0.60 million
- Global Facility for Disaster Reduction and Recovery: US\$ 3.00 million



Contact Information

World Bank

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Borrower/Recipient

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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>



Bank Documents

- [Environmental and Social Review Summary - Lao PDR: Improved Access to Disaster Risk Financing - P505](#) [Original Source]
- [Project Information Document - Lao PDR: Improved Access to Disaster Risk Financing - P505224](#) [Original Source]