

 Early Warning System

WB-P508319

Regional Emergency Preparedness and Access to Inclusive Recovery
Phase 2



Quick Facts

Countries	Angola, Burundi, Malawi, Seychelles, Zambia
Financial Institutions	World Bank (WB)
Status	Approved
Bank Risk Rating	B
Voting Date	2025-07-23
Borrower	Governments of Angola, Burundi, Malawi, Seychelles and Zambia - African Risk Capacity Limited
Sectors	Finance, Law and Government
Investment Type(s)	Grant, Loan
Loan Amount (USD)	\$ 160.00 million
Grant Amount (USD)	\$ 240.00 million
Project Cost (USD)	\$ 400.00 million



Project Description

According to the Bank's website, the objective of this project is to strengthen the financial and operational preparedness of participating countries to respond quickly to climate and other shocks.

The REPAIR Program aims to strengthen the financial and operational preparedness of participating countries to respond quickly to climate and other shocks. It sets up a Regional Climate Risk Fund to provide countries with access to different financial instruments to respond to shocks of various frequency and severity. And it provides technical assistance to participating countries to ensure that the funds from the financial instruments flow quickly and transparently to respond to disasters through country delivery channels. It is managed by one regional implementing entity African Risk Capacity Limited (ARC Ltd).

Comoros, Madagascar and Mozambique are in the Program in Phase 1. This operation is for Phase 2 countries: Angola, Burundi, Malawi, Seychelles and Zambia.

Under Component 1, the MPA will establish a Regional Climate Risk Fund (RCRF) to provide affordable, pre-arranged financing for post-disaster responses to participating countries ahead of climate and other shocks. Activities under this component will be oriented to setting up and capitalizing the RCRF in the different financial layers, with ARC Limited as its regional manager . This component will be funded by IDA/IBRD and make up the largest portion of World Bank funding for the project.

Under Component 2: Technical assistance will support the operationalization of the RCRF and the operational preparedness of country systems to facilitate swift flows of funds upon a shock. This includes start-up and operating cost of the RCRF including staffing; preparation and testing of operational process and procedures to facilitate the fund flows between MoFs, country systems and end beneficiaries; consultancies to help MoFs decide the allocation between the instruments based on their risk appetite, and improve the management of disaster-related contingent liabilities; and capacity building of country officials on DRF, of country systems on contingency planning and of women and WSMEs on financial literacy.



Early Warning System Project Analysis

The Environmental risk rating is considered **Moderate**. The project is not expected to finance major physical works or infrastructure, and as such, the environmental risks are anticipated to be localized, short-term, and easily manageable. Funds will primarily be used for emergency supplies, urgent small-scale repairs, debris clean-up, working capital to replace damaged or destroyed inventory, and social protection cash transfer programs. At the country level, recipients of disaster relief funds may invest in small-scale repairs to existing facilities or in storm debris removal. These activities may result in minor direct or indirect environmental risks and impacts, including occupational health and safety (OHS) risks to workers, waste disposal issues, disturbance of soil and vegetation, and other community health and safety concerns. As with phase 1 countries, a number of Phase 2 country delivery channels are considered, including but not limited to: (i) National emergency response funds to provide immediate disaster response and emergency small infrastructure repairs, as required; (ii) credit lines/grants/guarantees to allow MSMEs to reprofile their existing loans, obtain additional liquidity to restart their business and guarantee their loans; (iii) adaptive social protection programs to scale up social cash transfers to the poor in case of climate shocks. Other government sector ministry or agencies implementing World Bank projects also will be eligible candidates for REPAIR funding.

The Social Risk rating is considered **Moderate**. Social impacts are considered predictable and expected to be temporary and/or reversible, largely site-specific, with low probability of serious project-derived adverse effects to human health, and with risks and impacts that can be easily mitigated in a predictable manner. No major physical works, infrastructure or resettlement will be financed by REPAIR. Primary social risks identified are (i) potential risk of social exclusion and elite capture of project benefits, particularly among end-recipients of funding, including women, youth, elderly and other vulnerable groups who may face challenges accessing project benefits in a post-disaster environment; (ii) potential for SEA/SH risks, if access to post-disaster benefits were to be conditioned to provision of sexual services, particularly considering that women and micro, small and medium enterprises (MSMEs) are likely to be particularly affected by climate risks; (iii) risks associated with land tenure, especially due to the prevalence of insecure, informal, or undocumented land rights, with women often being less able to recover land and livelihoods post-disaster; and (iv) potential disruptions of existing social fabric as a result of disaster-recovery initiatives, considering that reduced access to finance may lead to local redistribution of local power structures, with some MSMEs scaling down their business activities after a disaster, hampering their planning and economic growth efforts and increasing competition for public services, affecting particularly vulnerable groups. These risks, however, are not expected to be particularly significant.



Investment Description

- World Bank (WB)

Total Project Cost: US\$ 400.00 million

IDA Grant: US\$ 240.00 million

International Bank for Reconstruction and Development: US\$ 160.00 million



Private Actors Description

The Project is managed by one regional implementing entity *African Risk Capacity Limited* (ARC Ltd). The African Risk Capacity (ARC) Group is comprised of ARC Agency, a Specialised Agency of the African Union founded in 2012; and ARC Insurance Company Limited (ARC Ltd), a hybrid mutual insurer and the commercial affiliate of the Group founded in 2014. ARC Agency was established to help African governments improve their capacities to better plan, prepare, and respond to natural disasters triggered by extreme weather events, as well as outbreaks and epidemics. ARC Ltd offers complementary risk pooling and risk transfer services. The RCRF will be managed by ARC Ltd, which will ensure strong governance, and build the capacity of Ministries of Finance on managing their contingent liabilities related to climate disasters.



Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	African Risk Capacity Limited	Undisclosed	-



Contact Information

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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

- Angola, Burundi, Malawi, Seychelles, Zambia - Second Phase of the Regional Emergency Preparedness and Access to Inclusive Recovery Phase 2
- Appraisal Environmental and Social Review Summary (ESRS) - Regional Emergency Preparedness and Access to Inclusive Recovery Phase 2
- Appraisal Project Information Document (PID) (English)
- Climate Finance Assessment (P508319)
- Concept Environmental and Social Review Summary (ESRS) - Regional Emergency Preparedness and Access to Inclusive Recovery Phase 2
- Concept Project Information Document (PID) (English)
- Disclosable Version of the ISR - Regional Emergency Preparedness and Access to Inclusive Recovery Phase 2
- Disclosable Version of the ISR - Regional Emergency Preparedness and Access to Inclusive Recovery Phase 2
- Environmental and Social Commitment Plan (ESCP) Regional Emergency Preparedness and Access to Inclusive Recovery Phase 2
- Environmental and Social Commitment Plan (ESCP) Regional Emergency Preparedness and Access to Inclusive Recovery Phase 2
- Environmental and Social Commitment Plan (ESCP) Regional Emergency Preparedness and Access to Inclusive Recovery Phase 2
- Official Documents- Disbursement and Financial Information Letter for Grant E4780.pdf
- Official Documents- Disbursement and Financial Information Letter for Grant E4820-MW.pdf
- Official Documents- Disbursement and Financial Information Letter for Grant E5060-BI.pdf
- Official Documents- Disbursement and Financial Information Letter for Grant F4900-ZM.pdf
- Official Documents- Disbursement and Financial Information Letter for Loan 98480-SC and LPF1 Grant T
- Official Documents- Disbursement and Financial Information Letter for Loan 9866-AO.pdf
- Official Documents- Financing Agreement for Grant E4780.pdf
- Official Documents- Financing Agreement for Grant E4820-MW.pdf
- Official Documents- Financing Agreement for Grant E5060-BI.pdf
- Official Documents- Financing Agreement for Grant F4900-ZM.pdf
- Official Documents- Grant Agreement for LPF1 Grant TF0C8765-SC.pdf
- Official Documents- Loan Agreement for Loan 98480-SC.pdf
- Official Documents- Loan Agreement for Loan 9866-AO.pdf
- Stakeholder Engagement Plan (SEP) Regional Emergency Preparedness and Access to Inclusive Recovery Phase 2