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Crisis and Disaster Risk Finance Executive Education Program

CDRF Country Impact Stories

LAO PDR – Southeast Asia
Disaster Risk Management
Project

June 14th, 2024



Disaster Risk Financing
& Insurance Program



Environmental *Change* Institute



Here with you today from LAO PDR



Somxay Keovandy

Role

- ◆ Director of Division, Focal Point for LAO PDR in regional DRF initiatives (SEADRIF, ASEAN+3 DRF Initiative, SEA-DRM Project Manager for Component 3 – Financial Planning for Disaster Resilience)

Department

- ◆ State-Owned Enterprises Reform and Insurance, Ministry of Finance

Professional background

- ◆ External Financing, International Cooperation, Insurance, DRF, SOE and Public-Private Partnership

Education

- ◆ Master of Business Administration

Overview of LAO PDR - SEA-DRM Project



Country Project Overview



Objectives

- ◆ To reduce the impacts of flooding in target areas;
- ◆ To enhance the Government's capacity to provide hydro-meteorological services and disaster response;
- ◆ To strengthen the Government's capacity to manage the impacts of disasters and climate shocks;
- ◆ To mainstreaming DRM in planning and investment.



Project components

- ◆ **Component 1 : Integrated Urban Flood Risk Management** - Strengthen flood protection and resilient urban planning in Oudomxay, Luang Prabang and Bolikhamxay Province;
- ◆ **Component 2 : Hydro-met Modernization and Early Warning** - Improve the delivery of weather, climate, and hydrological services and end-to-end early warning systems throughout the country;
- ◆ **Component 3 : Financial Planning for Disaster Resilience** - Support for strengthening national financial resilience, and payment of disaster risk insurance premium;
- ◆ **Component 4 : Knowledge and Coordination** - Supports overall project coordination and management, including M&E, and financial audits; and studies for mainstreaming DRM in planning and investment.

Impact – Key highlights



Key impacts to date

Reduced financial protection gap thanks' to:

- ◆ Access to SEADRIF insurance;
- ◆ DRF Strategy adopted;
- ◆ Strengthening post disaster budget execution under study;
- ◆ Increase areas with improved flood protection with an estimated 29,000 people are protected from flood;
- ◆ Better weather information to end-users;
- ◆ Value for Money (VfM) Strategy has been draft and VfM Monitoring Management System has been developed.



Key challenges

- ◆ DRFI is a new concept to line ministries, which requires time and efforts to raise awareness;
- ◆ SEADRIF insurance is a new instrument for Lao PDR, which needs time and capacity building for implementation;
- ◆ Lack of good coordination mechanism and line ministries related to disaster risk management and financing;
- ◆ Limited disaster data;
- ◆ Delay project implementation due to Covid-19 outbreak.



What are your priorities over the next 3 to 5 years?

- ◆ Secure funding to enhance implementation of DRF Strategy;
- ◆ Utilize regional risk pooling system;
- ◆ Improve post disaster budget execution;
- ◆ Improve disaster database;
- ◆ Improve coordination among disaster risk management and financing in all levels.