



# LAO PDR

## July-September 2018 Floods

### Round Table Meeting Pre-Consultation on Post Disaster Needs Assessment

21 November 2018



European Union  
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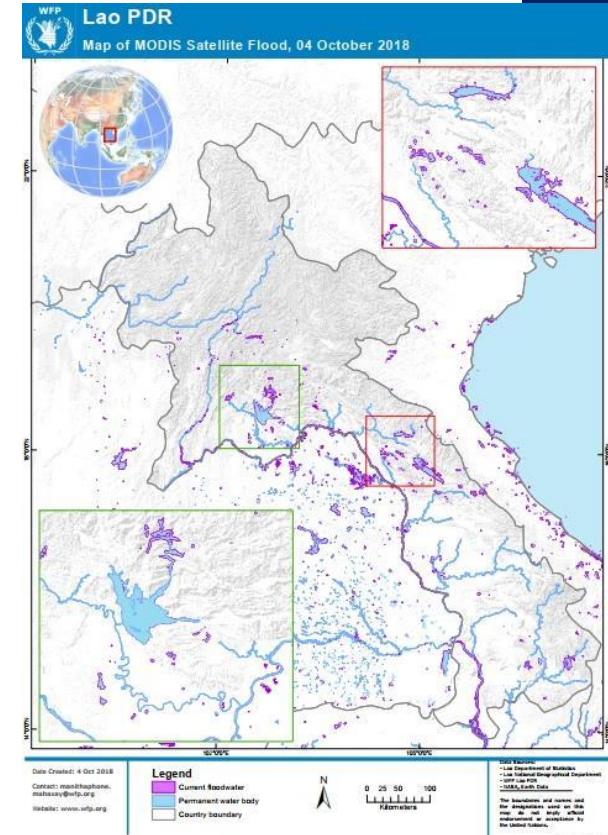


# Presentation Outline

- Disaster Event
- PDNA and Disaster Recovery Framework Methodology
- Socioeconomic Impacts of the 2018 Floods
- Disaster Recovery Framework

# Disaster Event

- **Continuous heavy rains** between July and September 2018.
- On July 18-19, 2018, heavy rainfall caused by **Tropical Storm Son-Tinh** caused flooding in 55 districts of 13 provinces across northern, central, and southern Lao PDR.
- On July 23, 2018, the **Xe-Pian Xe-Namnoy saddle dam collapsed**, causing an unprecedented flashflood downstream.
- Further, on August 17-18, 2018, **Tropical Storm Bebinca** led to flooding in northern Laos, with impacts also felt in the south of the country.



**Source:** HCT Bulletin No. 3, 5 October 2018.

# Post-Disaster Needs Assessment and Disaster Recovery Framework

- A recognized methodology for assessing major disasters
- Tripartite agreement: complementary capacities of World Bank, United Nations, and European Union.
- A sound basis for strategic recovery actions by national/sub-national authorities.
- Post-Disaster Needs Assessment:
  - ✓ Quantifies damage and loss,
  - ✓ Evaluates the overall macroeconomic and human development impacts of the disaster.
  - ✓ Identifies recovery needs, priorities, and costs.
- DRF: utilizes PDNA results to develop a framework for specific recovery plans and actions, as led by the government.

# Human Impact

- An estimated 2,382 villages, 126,619 families and 616,477 people were **affected in all provinces**
- 60 people **lost their lives, 30 missing**
- Some 4,724 people remain **evacuated** as of 3 November
- 1,779 **houses** were completely destroyed, and 541 damaged
- 34 **health facilities** were damaged, along with 206 gravity fed water supply systems, and **WASH facilities** in 195 schools and 9 health centers

Sources: HCT Bulletin No.5, 2 November; HCT Bulletin No.4, 19 October; HCT Disaster Response Plan, 5 October



# Summary of Total Effects (Damages and Losses) by Sector

	Total (Billion Lao Kip)		
Sector/sub-sector/issue	Damage	Losses	Total
<b>Social sector</b>			
Housing and settlements	21.12	0.57	21.69
Education	18.73	1.68	20.41
Health and nutrition	8.58	3.32	11.89
Culture	10.11	0.25	10.36
<b>Productive sector</b>			
Agriculture (crops, livestock, fisheries, forestry, irrigation)	139.80	1,087.60	1,227.30
Industry and commerce	0.80	2.99	3.78
Tourism	21.87	9.59	31.46
<b>Infrastructure sector</b>			
Transport	822.02	785.80	1,607.82
Electricity	42.20	3.20	45.40
Water supply	50.96	19.02	69.98
Waterways	116.90		116.90
<b>TOTAL</b>	<b>1,253.10</b>	<b>1,914.02</b>	<b>3,166.99</b>
<b>TOTAL (million US\$, approximate)</b>	<b>147</b>	<b>224.5</b>	<b>371.5</b>

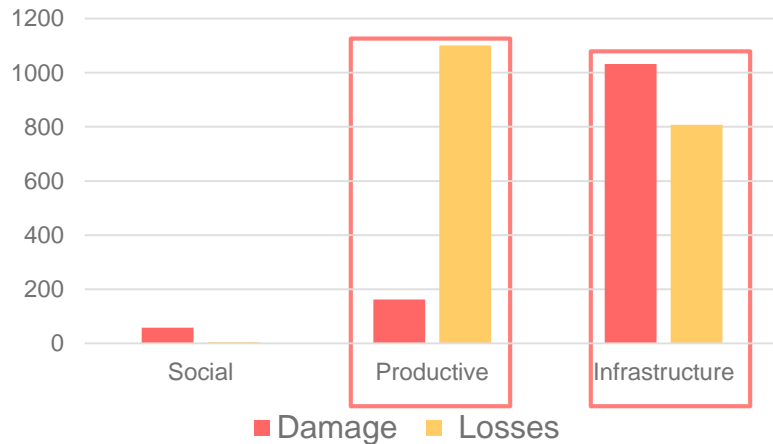
# Damages and Losses, most affected sectors

- The **productive (particularly agriculture) and infrastructure (particularly transport)** sectors and sub-sectors suffered the largest economic effects.

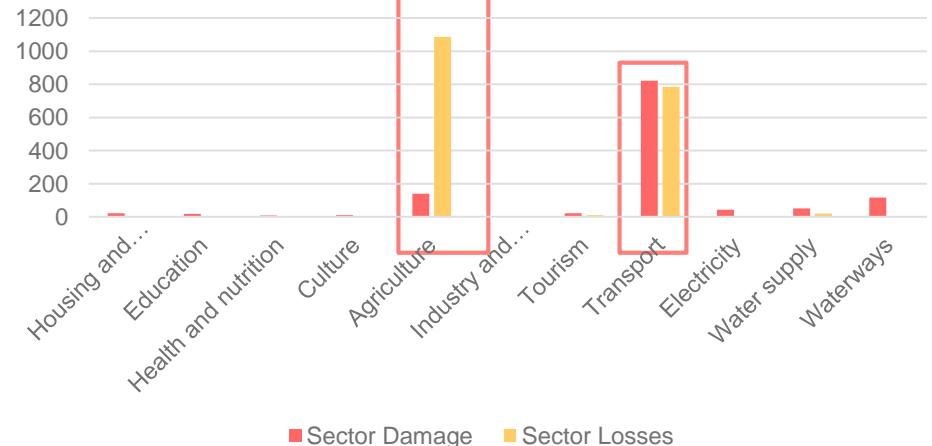
Production losses in productive sectors were particularly high.

Losses were mainly in agriculture (57%) and transport (40%); damages were mainly in transport (66%).

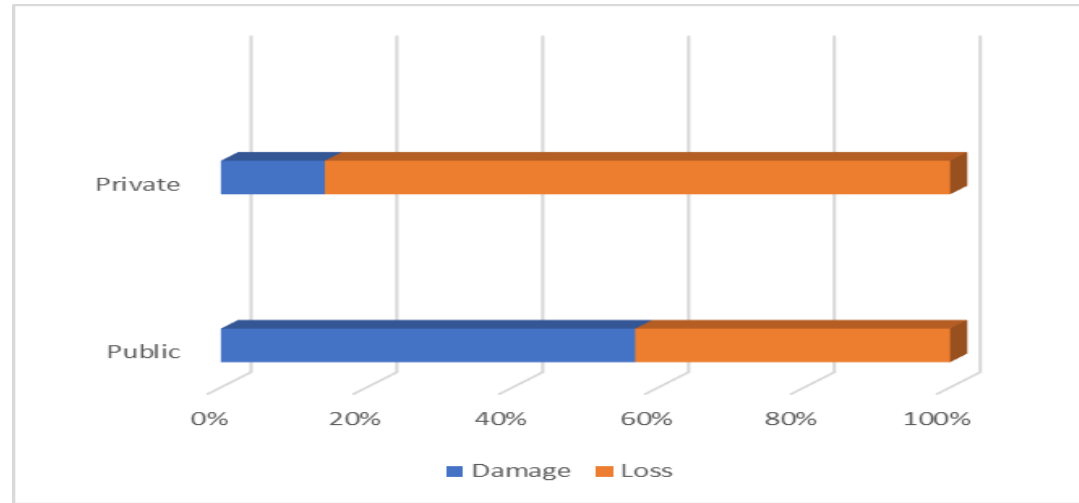
## Disaster Effects by Sector Groups



## Disaster Effects by Economic Sectors (billion Lao Kip)



# Damages and Losses, by ownership



- **Public sector losses** were mainly driven by reparation and risk reduction activities of roads, bridges, waterways etc in the infrastructure

- **Private sector losses** were mainly driven by the loss of income of farmers, persons involved in SMEs, and tourism service-providers, as well as impacts on the housing sector and public damages to roads and bridges



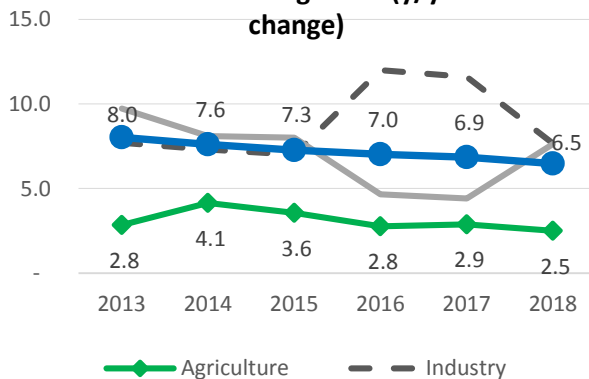
# Macroeconomic Impact

- Lao PDR's **real GDP growth projection** for 2018 has been revised downwards from 6.7% to 6.5% **(-0.2%)**

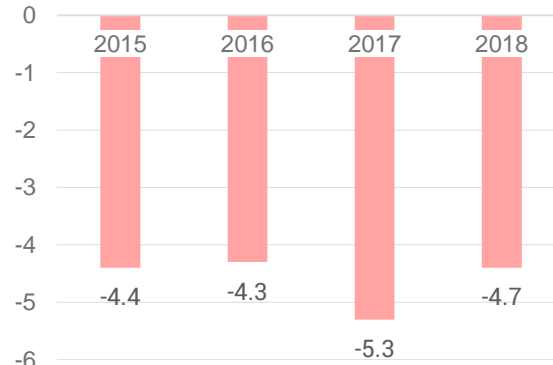
- The government actions for flood-affected regions, are expected to result in a budget deficit of **4.7 percent of GDP**

- A slight decline **(-1.2%)** in **Balance of Payments** is estimated

Lao PDR's Real GDP growth (y/y Percent change)



Fiscal Balance (Percent of GDP)

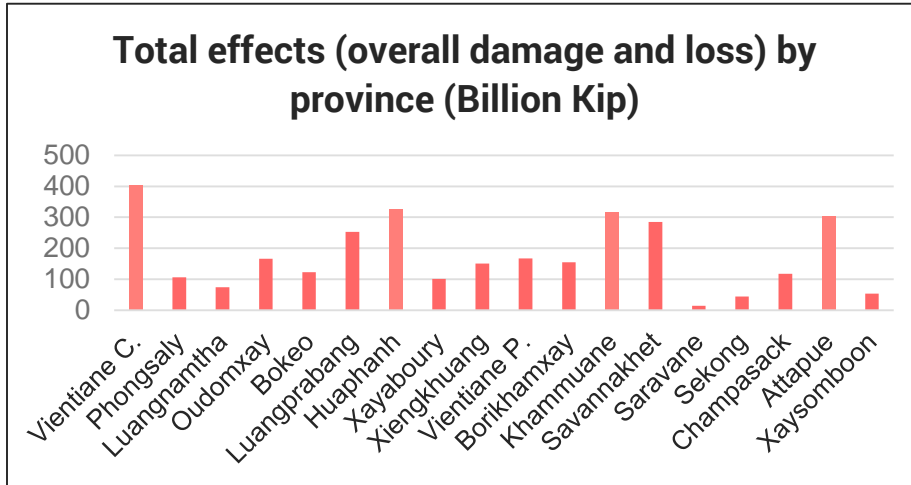


Source: PDNA, 2018

Impact on Current Account Balance (Percent GDP)

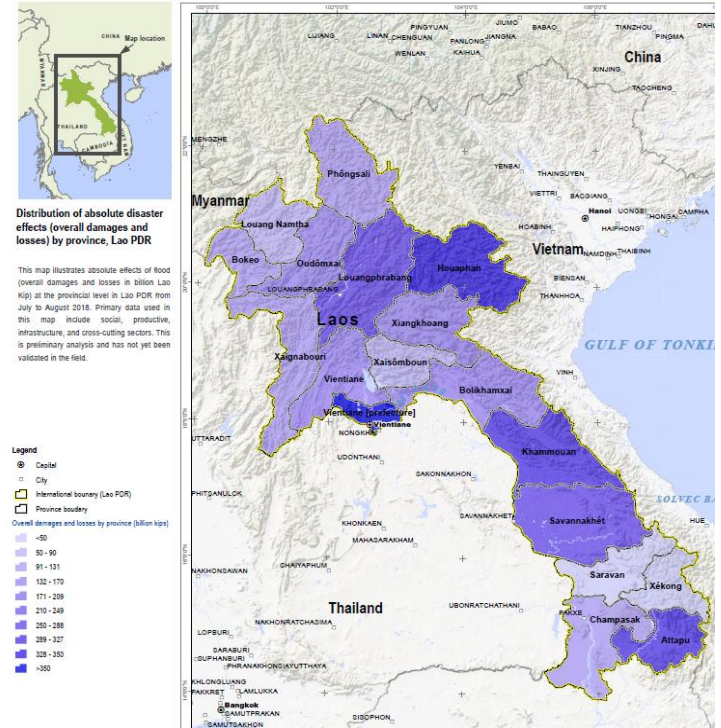


# Geographic distribution of disaster impacts



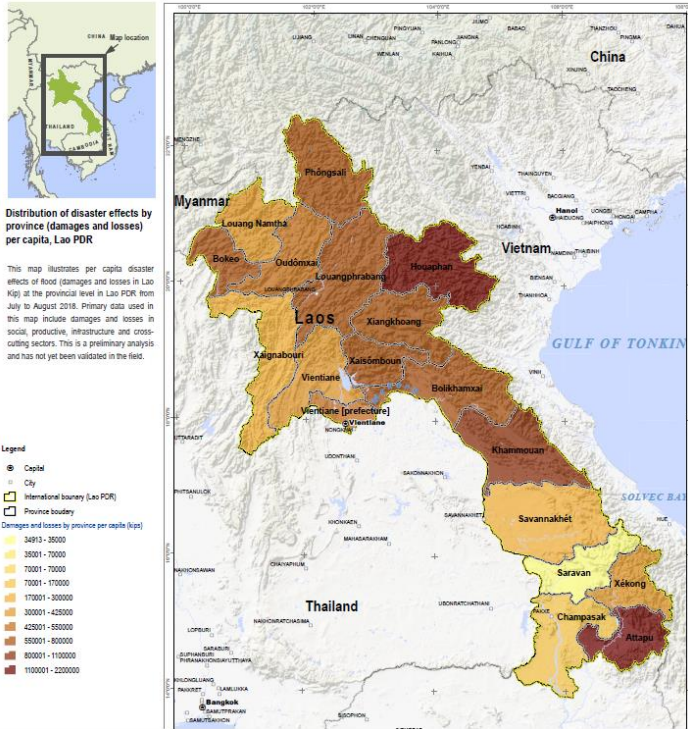
- Vientiane Capital, Huaphanh, Khammuane and Attapue were the worst affected provinces **in terms of overall disaster effects**

Source: PDNA, 2018

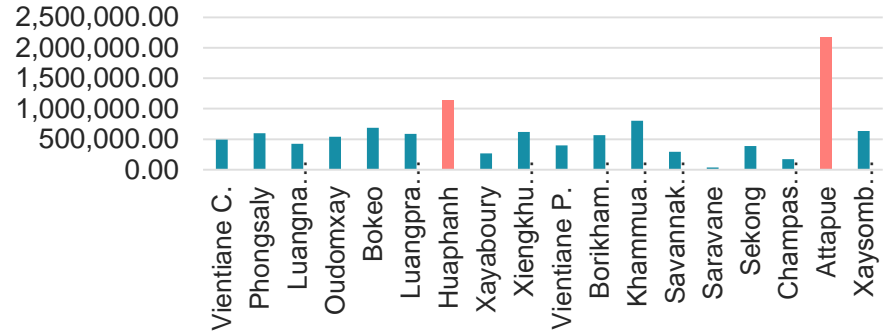


Source: UNITAR, Lao PDR, 22 October

# Geographic distribution of disaster impacts



## Disaster effects (damage and loss) by province per capita (Billion Kip)



- Huaphanh and Attapue were the provinces most affected **in terms of per capita impacts**

Source: UNITAR, Lao PDR, 22 October

Source: PDNA, 2018

Recovery and Reconstruction Needs	Billion Lao kip			
	Short-term	Medium-term	Long-term	Total needs
<b>Social sector</b>				
Housing and settlements	29.00	44.60		73.60
Education	168.90	18.90	9.80	197.60
Health and nutrition	27.31			27.31
Culture	8.57	15.46	27.56	51.59
<b>Productive sector</b>				
Agriculture	231.50	97.00	28.80	357.30
Tourism	30.75	7.37	0.23	38.35
Industry and commerce	1.50	3.20		4.70
<b>Infrastructure sector</b>				
Transport	582.13	658.56	833.94	2,074.63
Urban and rural water supply	30.91	19.65	17.96	68.52
Waterways	32.00	63.60	154.40	250.00
Electricity	42.2	-	-	42.20
<b>Crosscutting issues</b>				
Disaster risk management, environment and climate change	17.25	106.11	52.64	176.00
Governance	11.74		61.02	72.76
Human development: employment and livelihoods, gender, disability and child protection	73.10	73.20	54.60	200.90
UXO	26.61		760.79	787.40
<b>TOTAL (in Billion Kip)</b>	<b>1,331.47</b>	<b>1,107.65</b>	<b>2,001.74</b>	<b>4,422.86</b>
<b>TOTAL (in million US\$ approximate)</b>				<b>520.34</b>

# Disaster Recovery Framework: Elements

1. Recovery Vision and Strategic Objectives
2. Policy Framework
3. Institutional Framework: Who manages? How?
4. Sector Plans: Prioritization, Sector strategies and Plans
5. Financing: Budget , resource mobilization, budgets, tracking
6. Implementation Arrangements: How it is done

# Disaster Recovery Framework: 8 Basic Steps

1. Government decision to develop a DRF
2. Identify lead agency and partners
3. Develop Terms of Reference to define scope and schedule
4. Orient/train sector teams
5. Prepare draft DRF, including sector plans
6. Consult within sectors and validate
7. Prioritize across sectors
8. Conduct final review and submit the DRF for validation by the Government

# Recovery Vision and Strategic Objectives

- Defined by government, e.g. restore and improve access to basic social services and employment opportunities and improve resilience
- Guiding Principles for Strategic Objectives:
  - Basic needs and continuity with humanitarian assistance
  - Build Back Better
  - Minimal relocation (UXO)
  - Community participation and use of local knowledge/skills
  - Build upon existing institutions (government and community) to develop capacity in DRM

# Policy and Strategy

Align with national development objectives and timeline:

- 8<sup>th</sup> National Socio-Economic Development Plan
- National Growth and Poverty Eradication Strategy
- Sector strategies
- Recapture development gains and transition from LDC status

Apply Strategic Objectives to Specific Policy Elements.

Examples:

- Owner-driven reconstruction of housing
- Land use policy and relocation
- Engaging the community, volunteers, private sector
- Integration of DRM and BBB principles: multi-hazard/multiple benefit, local materials, training in skills and employment



# Institutional Framework

- Ministry of Planning and Investment (mandate for development planning,) assigned as lead agency (as for previous PDNAs)
- Clear delineation of mandates and responsibilities among key agencies, e.g. MPI is supported by MLSW (mandated with DRM)
- Establish legal foundation: Finalize Law on Disaster Prevention and Control
- Build capacity of the national and local government and communities for Disaster Risk Management

# Sector Planning

- Purpose: Guide, plan and estimate resource requirements for recovery and full integration of reconstruction activities.
- Identify priority sectors for recovery: Per 2009, 2011, and 2018 PDNAs, hardest hit sectors were agriculture (crops and irrigation), transport, and housing.
- Cross-sector prioritization criteria: humanitarian impact, livelihoods and poverty reduction, multiplier effects and value chains (esp. agriculture), needs of vulnerable social groups, disaster risk management and environmental considerations
- Sequencing
- Mutually reinforcing actions

# Financing and Financial Management

- Disaggregate financial needs of PDNA into specific projects to indicate additional budgetary requirements
- Develop and integrate into sector budgets
- Develop financing strategy:
  - Identify and mobilize financial resources for recovery
  - Establish administrative arrangements to disburse funds: flow of approval and payment by project type, e.g. housing assistance, infrastructure, agriculture
  - Track and report upon expenditures and results.
- Utilize Reserve Fund and fiscal instruments (tax breaks, etc.)
- Reprogram on- and off-budget projects

# Implementation Arrangements

- Improve coordination:
  - MPI as part of NDPCC at national level
  - Key line ministries
  - Provincial government at sub-national level
  - Development partners
- Local implementation arrangements: province level downward
- Fast-track project development and procurement, as feasible
- Implemented under the leadership of the respective line ministries: establish dedicated units in key sectors
- Training: develop existing and build new capacities

# Implementation: Monitoring & Evaluation

- Desired outcomes: accountability, transparency, dissemination of results
- Monitor and develop SMART indicators for:
  - On-/off-budget financial commitments and resource mobilization
  - Projects, budgets, financial and physical progress of actions
  - Economic and social impact
- Milestones for progress and future disbursement of funds
- For community support, beneficiary selection and tracking system needed, with public participation
- Independent/third-party evaluation and/or audit: annually on outcomes and results; mid-term on impact

# Implementation: Communications

- Desired Outcomes: communicate objectives, responsibilities, and timeline, inform on progress and access to support, mobilize support and cooperation/collaboration of communities, civil society, and donors.
- Internal: information management system, information and communication procedures to process and verify information.
- External: targeted messaging to various sectors and social groups, as well as appropriate media
- Communications and outreach plan:
  - Inform by recovery priorities and feedback, risk perception surveys to inform messaging
  - Media relations
  - Appropriate media: written materials, news outlets, website, social media and/or mobile in urban areas; radio and loudspeaker systems in villages.



Questions?

Thank you!



# Examples of Post-disaster Recovery Frameworks

