ADB ASIAN DEVELOPMENT BANK

Regional: Greater Mekong Subregion Flood and Drought Risk Management and Mitigation Project (LAO/VIE)

Project Name	Greater Mekong Subregion Flood and Drought Risk Management and Mitigation Project (LAO/VIE)
Project Number	40190-023
Country	Regional
Project Status	Approved
Project Type / Modality of Assistance	Grant Loan
Source of Funding / Amount	**Grant 0316-REG: Greater Mekong Subregion Flood and Drought Risk Management and Mitigation Project (LAO/VIE)** Asian Development Fund — US$ 12.50 million **Grant 0317-REG: Greater Mekong Subregion Flood and Drought Risk Management and Mitigation Project (LAO/VIE)** Australian Grant — US$ 5.89 million **Loan 2936-REG: Greater Mekong Subregion Flood and Drought Risk Management and Mitigation Project (LAO/VIE)** Asian Development Fund — US$ 24.00 million **Loan 2937-REG: Greater Mekong Subregion Flood and Drought Risk Management and Mitigation Project (LAO/VIE)** Asian Development Fund — US$ 45.00 million
Strategic Agendas	Environmentally sustainable growth Inclusive economic growth Regional integration
Drivers of Change	Partnerships
Sector / Subsector	Agriculture, natural resources and rural development - Agricultural drainage - Irrigation - Rural flood protection - Water-based natural resources management
Gender Equity and Mainstreaming	Effective gender mainstreaming
Description	The impact of the Project will be reduced economic losses resulting from floods and droughts. The outcome will be improved capacities and preparedness to manage and mitigate the impacts of flood and drought events. The Project will have four key outputs: (i) Enhanced regional data, information, and knowledge base for the management of floods and droughts; (ii) Upgraded water management infrastructure; (iii) Enhanced capacity for community-based disaster risk management; and (iv) Effective project implementation.

Project Rationale and Linkage to Country/Regional Strategy	The Mekong River stretches through the People's Republic of China, Myanmar, the Lao PDR, Thailand, Cambodia, and Viet Nam with a total land area of 795,000 square kilometers (km2). The Lower Mekong Basin (LMB) is home to about 60 million people in Cambodia, the Lao PDR, Thailand, and Viet Nam. The Mekong River stands apart because of the large fluctuations in seasonal discharge very low flows in the dry season yet extensive flooding in the wet season. River flow is largely unaffected by water control structures and follows the seasonal hydrological cycle. Countries in the LMB have varying levels of capacity to prepare for and manage flood- and drought-related disasters. Actions are mostly reactive, rather than proactive, and are uncoordinated. Better flood and drought disaster preparedness requires (i) knowledge availability and sharing of potential changes to the spatial and temporal distribution of climate and hydrological variables over the basin as a whole; (ii) capacity for timely flood and drought forecasting and dissemination of warnings to communities at risk; (iii) engagement of at-risk communities in the identification, analysis, treatment, monitoring, and evaluation of disaster risks in order to reduce their vulnerabilities and enhance their coping capacities; and (iv) improved condition of water control infrastructure. The project is aligned with the relevant policies, strategies, and programs such as the following: (i) Lao PDR: Disaster Management Action Frameworks, 2003 2020; and the (ii) Viet Nam: National Strategy for Natural Disaster Prevention, Response and Mitigation approved by the Prime Minister in 2007 (Decision No. 172/2007), National Targeted Program to Respond to Climate Change, Strategic Direction of Water Resources Development (to 2020 and toward 2050), the Mekong Delta Master Plan. The project is aligned with ADB's Water Operational Plan, 2011 2020, which identifies flood and drought mitigation (as part of disaster risk management) as one of the two urgent challenges to be addressed in the integrated water resource management process. The project is also aligned with the ADB's Disaster and Emergency Assistance Policy (2004) as it will support the governments and local communities to identify and manage risks from natural hazards.
Impact	Reduced economic losses resulting from flood and drought

Project Outcome	
Description of Outcome	Improved capacity and preparedness to manage and mitigate the impacts of flood and drought events
Progress Toward Outcome	L2936/G0316-LAO was declared effective on 22 March 2013. Since then, the progress on implementation has been slow due to substantial delays in the recruitment of consulting firms to support CBDRM and design and construction supervision of subprojects. The January 2015 Loan Review Mission agreed with the Executing Agency on further actions and timelines to expedite implementation. In March 2015, the contract for support to NEWC was awarded. L2937/G0317-VIE was declared effective on 10 May 2013. The PIC mobilized in April 2014. The Inception Mission was fielded in May 2013. The contribution from Australia has been extended from 31 December 2016 to 31 December 2017. Recruitment of consulting assignments for Component 1 and 3 have commenced. The EA is working towards the completion of the detailed engineering designs of the subprojects.
Implementation Progress	
Description of Project Outputs	Enhanced regional data, information, and knowledge base for the management of floods and droughts Upgraded water management infrastructure Enhanced capacity for CBDRM Effective project implementation
Status of Implementation Progress (Outputs, Activities, and Issues)	- In LAO, the contract for the support to NEWC was awarded in March 2015. The consultants are expected to mobilize in Q1 2015. In VIE, consulting services recruitment is on hold for both (i) Design Criteria for Flood and Drought Risk Management in Cuu Long Delta (GMS 1.1) and (ii) Cross Border Flood Risk Mitigation and Diverstion in the border area between Cambodia and Viet Nam (GMS 1.2) while ADB and the EA are securing project funds (after Australia's withdrawal from the Project). - In LAO, recruitment of the detailed design and construction supervision consultants is ongoing. The detailed design is expected to be complete in Q2 2015. In VIE, the work of the detailed design and engineering consultants is ongoing. Two ICB packages are already being prepared for tender. - In Lao, recruitment of the support to CBDRM consultants is ongoing. Mobilization is expected in Q3 2015 and the plans will be subsequently prepared. In VIE, recruitment of the CBDRM consultants is on hold while ADB and the EA are securing project funds (after Australia's withdrawal from the Project). - The project implementation consultants for LAO mobilized in December 2013 and for VIE in May 2014. Initial advances to imprest accounts have been released.
Geographical Location	

Safeguard Categories	
Environment	B
Involuntary Resettlement	A
Indigenous Peoples	C

Summary of Environmental and Social Aspects	
Environmental Aspects	All identified adverse impacts resulting from the location, design, construction, and operation of the water management infrastructure are expected to be small to moderate and can be mitigated by adoption of specific measures. Special environment-related assurances are prepared to mitigate any project impact on adjacent wetlands. Further updating of the environmental management plans for individual subprojects will be undertaken prior to the commencement of site-specific construction activities.
Involuntary Resettlement	It is initially estimated that about 1,814 households (11,065 people) will be affected by the project, including 1,537 households (9,222 people) in Viet Nam and 277 households (1,843 people) in the Lao PDR. In both countries, severely affected households are estimated at about 248 households (1,221 people), potentially losing more than 10% of their productive land and/or assets. The total land take is estimated at 75 hectares. Six resettlement plans, one for each subproject, have been prepared (two in the Lao PDR and four in Viet Nam).
Indigenous Peoples	No indigenous people maintaining distinct cultural identities or separate cultural traditions was found to reside in the project areas.
Stakeholder Communication, Participation, and Consultation	
During Project Design	Consultation with key stakeholders were conducted during project design.
During Project Implementation	

Business Opportunities	
Consulting Services	The consultants will be recruited according to ADB's Guidelines on the Use of Consultants. The Project will require a number of consulting services to assist the executing agencies and implementing agencies with: (i) project implementation support; (ii) preparation of subprojects; (iii) strengthening of the NEWC; (iv) external safeguard monitoring; (v) implementation of CBDRM; and (vi) audit of project accounts. The outputs and deliverables from all consulting services shall be in accordance with the Government policies, and in support of the provincial development strategies and the needs of the beneficiaries.
Procurement	All procurement of goods and works will be undertaken in accordance with ADB's Procurement Guidelines (2010), as amended from time to time.

Responsible ADB Officer	Hidefumi Murashita
Responsible ADB Department	Southeast Asia Department
Responsible ADB Division	Environment, Natural Resources & Agriculture Division, SERD
Executing Agencies	*Ministry of Agriculture & Forestry-Irrigation DepDIDMONPD@LAOTEL.COMDIDMP, Irrigation Department, Ministry of Agriculture and Forestry P.O.Box 5192, Chao Anou Road*

Timetable	
Concept Clearance	07 Mar 2011
Fact Finding	31 Mar 2011 to 08 Apr 2011
MRM	06 Jul 2012
Approval	06 Nov 2012
Last Review Mission	-
Last PDS Update	31 Mar 2015

Grant 0316-REG

Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
06 Nov 2012	04 Dec 2012	22 Mar 2013	30 Sep 2019	-	-

Financing Plan		Grant Utilization			
	Total (Amount in US$ million)	Date	ADB	Others	Net Percentage

Project Cost	13.09	Cumulative Contract Awards			
ADB	12.50	06 Nov 2012	3.98	0.00	32%
Counterpart	0.59	Cumulative Disbursements			
Cofinancing	0.00	06 Nov 2012	2.06	0.00	16%

Grant 0317-REG

Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
06 Nov 2012	21 Dec 2012	10 May 2013	30 Sep 2019	-	-

Financing Plan		Grant Utilization			
	Total (Amount in US$ million)	Date	ADB	Others	Net Percentage
Project Cost	19.36	Cumulative Contract Awards			
ADB	0.00	06 Nov 2012	0.00	0.95	16%
Counterpart	13.47	Cumulative Disbursements			
Cofinancing	5.89	06 Nov 2012	0.00	0.51	9%

Loan 2936-REG

Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
06 Nov 2012	04 Dec 2012	22 Mar 2013	30 Sep 2019	-	-

Financing Plan		Loan Utilization			
	Total (Amount in US$ million)	Date	ADB	Others	Net Percentage
Project Cost	24.00	Cumulative Contract Awards			
ADB	24.00	06 Nov 2012	1.27	0.00	6%
Counterpart	0.00	Cumulative Disbursements			
Cofinancing	0.00	06 Nov 2012	2.02	0.00	9%

Loan 2937-REG

Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
06 Nov 2012	21 Dec 2012	10 May 2013	30 Sep 2019	-	-

Financing Plan		Loan Utilization			
	Total (Amount in US$ million)	Date	ADB	Others	Net Percentage
Project Cost	45.00	Cumulative Contract Awards			
ADB	45.00	06 Nov 2012	2.76	0.00	7%
Counterpart	0.00	Cumulative Disbursements			
Cofinancing	0.00	06 Nov 2012	2.80	0.00	7%

Project Page	http://www.adb.org/projects/40190-023/main
Request for Information	http://www.adb.org/forms/request-information-form?subject=40190-023

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