



Lao People's Democratic Republic
Contingency Plan
for the
Recipient-Executed Trust Fund (RETF)
Improved Access to Disaster Risk Financing
Project (P505224)

Draft version for Stakeholder Consultation

18 June 2025

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LIST OF ACRONYMS AND ABBREVIATIONS

| | |
|-------|-----------------------------------------------------------------------------|
| AEPR: | Annual Environmental and Social Performance Report |
| CDMC: | Central Disaster Management Committee |
| CoC: | Code of Conduct |
| DDMC: | District Disaster Management Committee |
| DLSW: | Department of Labor and Social Welfare |
| DRM: | Disaster Risk Management |
| DSI: | Department of State-Owned Enterprises and Insurance Management |
| DSW: | Department of Social Welfare |
| ECOP: | Environmental Code of Practice |
| EHS: | Environmental, Health and Safety |
| EIA: | Environmental Impact Assessment |
| E&S: | Environmental and Social |
| ESCP: | Environmental and Social Commitment Plan |
| ESF: | Environmental and Social Framework |
| ESMF: | Environmental and Social Management Framework |
| ESMS: | Environmental and Social Management System |
| GBV: | Gender-Based Violence |
| GDP: | Gross Domestic Product |
| GoL: | Government of Lao PDR |
| GRM: | Grievance Redress Mechanism |
| IEE: | Initial Environmental Examination |
| IFC: | International Finance Corporation |
| ILO: | International Labour Organization |
| IPF: | Investment Financing Project |
| JICA: | Japan International Cooperation Agency |
| LCP: | Lao People's Democratic Republic Contingency Plan (or Lao Contingency Plan) |
| LFND: | Lao Front for National Development |
| LMP: | Labor Management Plan |
| LWU: | Lao Women's Union |
| MAF: | Ministry of Agriculture and Forestry |
| MAPS: | Methodology for Assessing Procurement Systems |
| MOF: | Ministry of Finance |

| | |
|----------|--------------------------------------------------------------|
| MoLSW: | Ministry of Labor and Social Welfare |
| MONRE: | Ministry of Natural Resources and Environment |
| MPI: | Ministry of Planning and Investment |
| MSDS: | Material Safety Data Sheets |
| NA: | National Assembly |
| NDMC: | National Disaster Risk Management Committee |
| NSDRR: | National Strategy on Disaster Risk Reduction |
| OECD: | Organization for Economic Cooperation and Development |
| OHS: | Occupational Health and Safety |
| PCRAFI: | Pacific Catastrophe Risk Assessment and Financing Initiative |
| PDR: | People's Democratic Republic |
| PEFA: | Public Expenditure and Financial Accountability |
| PFM: | Public Financial Management |
| PIC: | Project Implementing Committee |
| PDMC: | Provincial Disaster Management Committee |
| PPE: | Personal Protective Equipment |
| RETF: | Recipient-Executed Trust Fund |
| SAO: | State Audit Organization |
| SEA/SH: | Sexual Exploitation and Abuse/Sexual Harassment |
| SEADRIF: | Southeast Asia Disaster Risk Insurance Facility |
| SEP: | Stakeholder Engagement Plan |
| SOE: | State-Owned Enterprises |
| UN: | United Nations (as in UN Charter) |
| US\$: | United States Dollar |
| VAC: | Violence Against Children |
| WB: | World Bank (also referred to as "the Bank") |
| 3R: | Reduce, Reuse, Recycle |

EXECUTIVE SUMMARY

Chapter 1: Background

Chapter 1 introduces the rationale and strategic foundation for Lao PDR's participation in the SEADRIF (Southeast Asia Disaster Risk Insurance Facility), a regional catastrophe risk pool developed with support from the governments of Japan and Singapore. Lao PDR and Myanmar form Sub-Trust A, through which the SEADRIF Insurance Company operates.

The chapter highlights Lao PDR's vulnerability to climate and natural disasters and explains the government's commitment to financial preparedness through SEADRIF insurance. The World Bank has supported this effort via grant and loan financing (Projects P170913 and P160930). The newly proposed Project (P505224) under a Recipient-Executed Trust Fund (RETF) provides US\$3.4 million for premium payments and post-disaster emergency relief activities.

Key elements of the chapter include:

- **Purpose of the LCP:** This Lao Contingency Plan (LCP), as the Environmental and Social Management Framework (ESMF), sets procedures for using SEADRIF payouts and guides the management of environmental and social risks, aligned with the ESCP, the World Bank's Environmental and Social Framework (ESF), the SEADRIF Environmental and Social Management System (ESMS), and all applicable national laws.
- **Legal Basis:** Aligned with national laws and public financial management (PFM) frameworks, the LCP supplements—not replaces—existing DRM strategies and systems.
- **Core Objectives:**
 - Enable timely and accountable use of insurance payouts.
 - Avoid or mitigate environmental and social (E&S) risks.
 - Establish institutional roles and responsibilities for safeguards compliance.
 - Engage stakeholders meaningfully and operate a responsive grievance mechanism.
- **Guiding Principles:**
 - Government-led and nationally owned;
 - Simplicity and flexibility for rapid post-disaster deployment;
 - Compliance with World Bank ESF, SEADRIF ESMS, and Lao regulations;
 - Exclusion of high-risk activities per the Exclusion List (Annex 3);
 - Transparent reporting and grievance redress mechanisms.

The chapter affirms the government's commitment to training, audit, compliance monitoring, and corrective actions in cases of misuse or non-compliance with E&S safeguards.

Chapter 2: The Contingency Plan for SEADRIF Insurance Payout

Chapter 2 provides a comprehensive framework for the legal, financial, and operational management of SEADRIF insurance payouts in Lao PDR. It outlines the institutional arrangements and procedures for post-disaster fund flow, procurement, eligible expenditure types, and auditing requirements.

2.1 Background

- Lao PDR is frequently impacted by floods, typhoons, and droughts, with flood-related expenditures estimated at up to 9% of national budgets during severe years.

- The government has limited reserve mechanisms to absorb large-scale disaster costs.
- SEADRIF insurance provides a fast, rules-based payout system to finance life-saving response and short-term recovery.

2.2 Public Financial Management (PFM) Framework

- PFM processes are governed by multiple laws (Budget Law, Procurement Law, Tax Law, etc.).
- MOF leads budgeting and financial oversight, with coordination at central and provincial levels.
- PEFA assessments conducted in 2010 and 2018 inform ongoing PFM reform. Key findings stress the need for better budget execution, audit, and transparency systems.

2.3 Legal and Institutional Framework for Emergency Activities

- Disaster Risk Management (DRM) is structured through a four-tiered committee system: CDMC (central), PDMC (provincial), DDMC (district), and village-level committees.
- Legal instruments (Disaster Management Law, Decree 239/PM, MoLSW Instructions) guide coordination, relief, and recovery efforts.
- The MoLSW and DSW coordinate DRM activities; the MoF oversees disaster-related fund allocations.

2.4 Accounting of Insurance Proceeds

- A special foreign currency account will be opened at the Bank of Lao PDR, with a linked Kip account in a commercial bank for operations.
- Disbursement of payouts is subject to CDMC approval, and implementing organizations must follow all accounting and financial regulations.

2.5 Indicative Eligible Expenditures

- Focuses on essential, short-term emergency needs such as:
 - WASH (water, sanitation, hygiene)
 - Health (medical teams, supplies)
 - Shelter and logistics
 - Food and nutrition
 - Education and child protection
 - Emergency telecommunications

2.6 Exclusion of Expenditures

- High-risk activities, such as those requiring land acquisition, causing significant E&S impacts, or involving hazardous waste, are excluded.
- Activities must fully comply with the Exclusion List (Annex 3) and World Bank ESF.

2.7 Procurement Procedures

- Must follow the Procurement Law No. 30/NA and MOF Instruction 0477/MOF.
- Emergency procurement steps are streamlined under Article 4.2.4.6 to allow rapid response.

2.8 Accounting and Reporting

- MOF (via DSI) coordinates fund flow, with expenditure reports due within 8 months of payout disbursement.

- Reports must be audited and submitted to the SEADRIF Sub-Trust A and the Trustee within 9 months.

2.9 Financial Audit

- The Trustee and the World Bank reserve the right to audit payout accounts.
- Any misuse or violation of the Exclusion List must be corrected before Lao PDR can access future SEADRIF policies.

Chapter 3: Environmental and Social Management (ESM)

Chapter 3 outlines the framework and operational procedures for managing environmental and social (E&S) risks associated with the use of SEADRIF insurance payouts under the *Improved Access to Disaster Risk Financing Project (P505224)*. The chapter ensures that emergency response and recovery activities are conducted in a socially inclusive, environmentally responsible, and legally compliant manner, consistent with both national laws and the World Bank Environmental and Social Framework (ESF), ESCP and SEADRIF's ESMS.

3.1 Environmental and Social Policies, Regulations, and Laws

- Lao PDR's national E&S regulatory framework includes key laws on environmental protection, labor rights, occupational safety, gender-based violence (GBV), hygiene, and ethnic group inclusion.
- The chapter maps national legislation against the World Bank's Environmental and Social Standards (ESSs), identifying alignment and key gaps.
- All 10 of the World Bank's Environmental and Social Standards (ESSs) are triggered. Relevant ESSs include ESS1 (Assessment of E&S Risks), ESS2 (Labor), ESS3 (Pollution), ESS4 (Community Health and Safety), ESS5–ESS8 (risk screening), EE9 (Financial Intermediaries), and ESS10 (Stakeholder Engagement).
- Activities with high or substantial risk (e.g., major resettlement, biodiversity harm) are excluded, as per the Exclusion List (Annex 3).

3.2 Potential E&S Risk Impacts and Mitigation Measures

- **Positive Impacts:** Timely recovery support, protection of vulnerable communities, improved disaster preparedness, and institutional strengthening.
- **Environmental Risks:** Include waste mismanagement, contamination of water sources, air and noise pollution, and overuse of local resources.
- **Social Risks:** Include worker safety issues, SEA/SH, exclusion of vulnerable groups, child/forced labor, and inadequate GRM access.
- **Mitigation Measures:** The chapter mandates the use of Environmental Code of Practice (ECOP), Codes of Conduct (CoC), Chance Find Procedure (CFP), training programs, E&S screening forms (Annex 4), and contractor performance reporting.

3.3 Procedures for E&S Management. Introduces a four-stage project cycle:

1. **Pre-Disaster:** Staff training, systems preparation, and disclosure of safeguards tools.
2. **Immediate Post-Disaster:** Screening of activities, risk classification, consultation, contractor orientation, and safeguards integration in contracts.
3. **Implementation:** On-site supervision, grievance resolution, monitoring of ECOP/CoC compliance, and incident reporting.

4. **Post-Implementation:** Submission of E&S reports and audits to the World Bank and SEADRIF Trustee.

3.4 Implementation Arrangements

- **MOF (DSI):** Acts as Project Implementing Committee (PIC), responsible for oversight, staffing, reporting, and coordination.
- **MoLSW:** Leads on social safeguard issues and coordinates with the disaster committees.
- **CDMC/PDMCs:** Approve and monitor eligible activities and ensure safeguards are met.
- **Implementing Entities:** Carry out activities with assigned E&S focal points.
- **Contractors/Suppliers:** Must comply with ECOP, CoC, OHS standards, and provide E&S performance reports.
- **E&S Consulting Firm:** Provides technical assistance, monitoring, training, and reporting support.

3.5 Training and Capacity Building

- A national training plan addresses institutional E&S capacity gaps at all levels.
- Training is tailored for:
 - **National:** MoF, MoLSW, and NDMC: overview of ESCP and LCP.
 - **Provincial/District:** PDMCs, DDMCs, and implementing agencies
 - **Contractors:** On ECOP, GRM, SEA/SH, and reporting obligations
 - **Communities:** Awareness on GRM, SEA/SH, and project information
- Training records are maintained and summarized in annual E&S performance reports.

3.6 Monitoring and Reporting

- **MoF**, with E&S consulting firm support, will submit **annual E&S reports** to the World Bank.
- Reports must:
 - Verify compliance with the Exclusion List and risk classification
 - Assess mitigation measures, stakeholder engagement, and GRM performance
 - Document incidents, accidents, and corrective actions
- Implementing agencies and contractors are required to submit end-of-assignment reports.
- **Significant E&S incidents must be reported within 48 hours.**

3.7 Environmental and Social Post-Audit

- SEADRIF's E&S Focal Point is responsible for conducting post-disaster E&S audits.
- Findings are submitted to the SEADRIF Trustee and the World Bank.
- Non-compliance may result in the suspension of future insurance policy renewals until resolved.

3.8 Stakeholder Engagement Plan (SEP) and Grievance Redress Mechanism (GRM)

- The SEP is a core component of the project's Environmental and Social Management Framework (ESMF), aligned with the ESCP and World Bank's ESS10 and ESS7. It ensures inclusive and transparent engagement with all stakeholders, especially vulnerable and marginalized groups such as ethnic communities, women,

persons with disabilities, LGBT individuals, and migrant workers. Guided by principles of openness, informed participation, and inclusivity, the SEP identifies both project-affected parties (e.g., MoF, MoLSW, local authorities, disaster-affected communities) and other interested parties (e.g., CSOs, LWU, LFND, media, academia, development partners). Key activities include a national consultation on June 25, 2025, public disclosure of the SEP, LCP, and ESCP in Lao language, and continuous engagement throughout all project phases—from pre-disaster planning and capacity building to emergency response, monitoring, and project closure.

- The **GRM** includes confidential, accessible channels for complaints—including SEA/SH-related issues—with defined timelines for resolution. There are three types of Grievance Redress Mechanisms (GRMs): (1) a **general project-level GRM** for addressing complaints from communities and stakeholders related to post-disaster activities; (2) a **labor GRM** for handling worker grievances, including issues related to employment conditions, payments, and safety; and (3) a **SEA/SH-specific GRM** that provides confidential, survivor-centered reporting and referral mechanisms for cases involving sexual exploitation, abuse, or harassment.
- Consultation outcomes are integrated into activity planning and ECOP updates.

3.9 LCP Implementation Budget

- Budget supports E&S consulting services, training, community engagement, GRM operations, and safeguards monitoring.
- The E&S budget is fully integrated into the LCP’s overall financial planning. The total estimated budget is **USD 200,000**.

List of Annexes: The LCP consists of the 11 annexes as follows:

- Annex 1: Outline of Payout Expenditure Report
- Annex 2: Chapter VII of the UN Charter
- Annex 3: Exclusion List
- Annex 4: Risk Classification Requirements in the Environmental & Social Directive on Investment Project Financing
- Annex 5: Matrix of Stakeholder Analysis
- Annex 6: Environmental Code of Practice (ECOP) for Eligible Post-disaster Relief and Emergency Aid Activities
- Annex 7: Code of Conduct: Preventing Gender-Based Violence and Violence Against Children
- Annex 8: Chance Find Procedure (CFP)
- Annex 9: Accident/Incident Reporting Procedure and Form
- Annex 10: Sample Form on GRM Monitoring and Accident Report
- Annex 11: Annual Environmental & Social Report Template

CHAPTER 1: BACKGROUND

1.1 Introduction

The Southeast Asia Disaster Risk Insurance Facility (SEADRIF) aims to strengthen the financial resilience of people, especially the poor and vulnerable, in the ASEAN region, to climate and natural disasters by providing technical assistance and disaster risk financing solutions to ASEAN countries to enable earlier and more reliable response and recovery to climate and disaster shocks. SEADRIF is established as a trust in Singapore, comprising the SEADRIF Trust governing overall SEADRIF activities and the SEADRIF Sub-Trust(s) for sub-groups of member countries to conduct concrete activities under SEADRIF. Myanmar and Lao People's Democratic Republic (PDR) agreed to set up Sub-Trust A with support from Japan and Singapore to establish and govern the SEADRIF Insurance Company ("the Company"), a general insurance company incorporated and licensed in Singapore to develop and offer catastrophe risk insurance products, including a regional catastrophe risk pool for Myanmar and Lao PDR as the first product. The governing body of the Sub-Trust A is the Sub-Trust A Committee ("the Committee"), composed of Director General level representatives from each Sub-Trust A Member government and one individual nominated by the Government of Singapore. The Committee oversees the Company through the Trustee as its sole shareholder. The Company is governed by a Board of Directors (BoD) whose appointment are endorsed by the Committee.

In accordance with the decision of the Committee in February 2020, Lao PDR and Myanmar are required to complete and submit a contingency plan for SEADRIF insurance payouts to the Committee and the Trustee, following the guidelines endorsed by the Committee.

The World Bank has since been supporting the capitalization and operationalization of the Company via a US\$12 million investment financing project (IPF P170913) approved in September 2020.

On February 1, 2021, the Company issued its first product when the Ministry of Finance (MOF) of Lao PDR entered into a 3-year insurance policy with the Company to provide protection against floods, further extended to 31 July 2024. The initial premium was paid by MOF through a loan from the World Bank (IPF P160930). In a letter dated October 13, 2023, the Government has requested assistance from the World Bank to secure funding for premium payment that would allow for this coverage to continue.

Accordingly, this RETF (Recipient-executed Trust Fund, P505224) proposes a grant of US\$3.4 million to the Government of Lao PDR (GoL) to be utilized entirely for premium payment under the Lao PDR Improved Access to Disaster Risk Finance Project (the Project). The insurance payouts are intended to be used by Lao PDR to cover goods, services, and physical works for short-term emergency response, recovery, and maintenance of essential public services, such as pre-existing schools or health centers.

The project implementation will continue to be carried out through the procedure developed for the SEADRIF Trustee and SEADRIF Insurance Company while the MOF and Ministry of Labor and Social Welfare (MoLSW) of Lao PDR will implement the activities funded under the insurance payout once it is claimed by the country.

This updated Laos PDR Contingency Plan (LCP) is designed to be simple and is aligned to the relevant public financial management (PFM) processes and frameworks to avoid any delay in the spending of the insurance payout in the aftermath of a disaster. As such it provides principles of

defining eligibility of expenditures as well as exclusion of expenditures. Countries are expected to follow existing processes and accountabilities under their own PFM laws, regulations and systems complemented by SEADRIF requirements. The Government of Lao PDR has undertaken the Public Expenditure and Financial Accountability (PEFA)¹ assessments which have been taken into account in the development of this updated Laos contingency plan (LCP).

The Government of Lao PDR (GOL) already advanced disaster risk management (DRM) efforts by developing various related plans, strategies, and legal and institutional frameworks. Contingency planning is an integral part of the country's entire DRM framework to effectively and promptly utilize SEADRIF insurance payouts. The contingency plan is not intended as a substitute of the existing plans but rather to complement and enhance them, specifically by outlining the policy and procedures governing the SEADRIF insurance payouts, and how they can be utilized to support the overall DRM framework for the country.

The implementation of this LCP and other related plans requires close collaboration and coordination of the Department of State-Owned Enterprises and Insurance Management (DSI), Ministry of Finance and Department of Social Welfare (DSW), Ministry of Labor and Social Welfare (MoLSW), Secretariat of Central Disaster Management Committee with other ministries, and disaster recovery implementing agencies as well as SEADRIF stakeholders.

The Environmental and Social Commitment Plan (ESCP) referenced in this LCP differs from the SEADRIF ESCP developed for the ongoing project (P170913) between the SEADRIF Trust and the World Bank. The ESCP in this LCP has been prepared specifically for the proposed Improved Access to Disaster Risk Finance Project (P505224) between the World Bank and the Government of Lao PDR (Ministry of Finance) to include all necessary actions and measures and to ensure the project complies with ESF requirements.

1.2 Purpose

This Lao Contingency Plan (LCP), as the Environmental and Social Management Framework (ESMF), sets procedures for using SEADRIF payouts and guides the management of environmental and social risks, aligned with the ESCP, the World Bank's Environmental and Social Framework (ESF), the SEADRIF Environmental and Social Management System (ESMS), and all applicable national laws.

The objectives of the LCP are to:

- Establish procedures and institutional arrangements for the GoL to receive and use SEADRIF insurance payouts in a timely, transparent, and accountable manner for post-disaster relief and emergency response;
- Ensure that insurance payouts are used in a manner that avoids, minimizes, or mitigates potential adverse environmental and social impacts;
- Establish procedures and tools for screening, classifying, and managing the risks of eligible activities;
- Define roles and responsibilities of implementing agencies and E&S focal points for compliance, reporting, and monitoring;

¹ PEFA is a methodology for assessing public financial management performance. It provides the foundation for evidence-based measurement of countries' PFM systems. A PEFA assessment measures the extent to which PFM systems, processes and institutions contribute to the achievement of desirable budget outcomes. <https://pefa.org/content/pefa-framework>

- Provide a framework for meaningful stakeholder engagement, information disclosure, and grievance redress in accordance with the SEP; and
- Support the Government's capacity to implement environmental and social safeguards during post-disaster response and recovery.

1.3 Guiding Principles

The Lao Contingency Plan (LCP), including its ESMF, is guided by the following principles:

1. The LCP is developed, led, and owned by the Government of Lao PDR (GoL) to enable timely, effective, and accountable use of SEADRIF insurance payouts in response to disasters.
2. The LCP is designed to be operationally simple and responsive to avoid delays in the disbursement and utilization of funds immediately following a disaster.
3. While allowing flexibility in determining priority needs after a disaster, the LCP ensures that all activities supported are in compliance with applicable environmental and social safeguards through the procedures established in the ESMF.
4. The LCP aligns with existing national legal frameworks, including the Disaster Management Law and Public Financial Management (PFM) systems, and leverages existing institutional coordination and emergency response structures.
5. The LCP incorporates the World Bank's Environmental and Social Framework (ESF), SEADRIF's Environmental and Social Management System (ESMS), and the Government's own environmental and social legislation to ensure responsible and sustainable use of resources.

1.4 Environmental & Social Requirements and Policy

Environmental and social (E&S) requirements and policy under this Lao Contingency Plan flow from the following frameworks:

- The **Environmental and Social Commitment Plan (ESCP)** prepared for the *Improved Access to Disaster Risk Finance Project (P505224)*;
- The **Environmental and Social Management System (ESMS)** of SEADRIF; and
- The **Environmental and Social Management (ESM)** integrated into this LCP.

Our Environmental and Social Policy Commitments are as follows:

- We commit to comply with national laws and regulations, including those related to fiduciary responsibility, environmental protection, social safeguards, occupational health and safety, and labor rights;
- We commit to implement all relevant measures outlined in the ESCP for the Disaster Risk Finance Project;
- We will adhere to the Exclusion List in **Annex 3**, which prohibits the use of insurance payouts for activities that pose significant environmental and social risks;
- We will implement the procedures and tools set out in the ESMF, including screening, classification, mitigation, monitoring, and reporting, for all eligible post-disaster activities;

- We will appoint qualified E&S focal staffs, including one from the Department of Social Welfare (DSW) under MoLSW and DSI under MOF, to oversee environmental and social compliance during implementation, as required in the ESCP and ESMS;
- We will recruit an E&S Consulting Firm will be recruited by MoF to provide technical assistance and ensure effective implementation and oversight of the ESCP and LCP.
- We will conduct regular training sessions for national, provincial, and contractor-level stakeholders to build awareness and capability in E&S risk management, screening, monitoring, reporting, and corrective actions.
- We will ensure a functioning grievance mechanism is in place, in line with national regulations, to address community complaints and feedback related to activities funded by the insurance payout;
- We will provide timely reports to the Committee and the WB or the Trustee, using the agreed templates, on how payouts are used and how E&S safeguards have been addressed;
- We will fully cooperate with post-disaster E&S audits initiated by the Trustee or World Bank;
- In case of non-compliance, we commit to undertake and complete corrective actions as agreed in an action plan with the Committee. We understand that new insurance policies will not be issued until such non-compliance is rectified.

CHAPTER 2: THE CONTINGENCY PLAN FOR SEADRIF INSURANCE PAYOUT

2.1 Background

2.1.1 Overview of Natural Disasters in Lao PDR

The Lao PDR is exposed to multiple types of natural hazards, including typhoons, storms, floods, landslides, and droughts. The country has been severely affected by disasters in recent years, including widespread damage from typhoon Ketsana in 2009 and Haiman and Nok-ten typhoons in 2011, and recent year the flood in 2018 and 2019. With the severity of hazards increasing in recent years, the government has faced increasing costs of responding to disasters, and the challenges of financing the associated emergency response and reconstruction costs.

The impacts of disasters in Lao PDR result in large costs faced by the Government, businesses, and households. The estimated average annual fiscal cost of floods is 2.7% of government expenditures. This can be as high as 9% of budget expenditures in years with more severe events. The Government has had insufficient funding arrangements in place for major disaster events; where the costs of previous disasters have outweighed the resources allocated for post disaster expenditures from contingency budgets and disaster funds.

2.1.2 Disaster Risk Financing Instruments in Lao PDR

According to the State Budget Law, article 11, there are government reserves and provincial reserves; these reserves are used in case of any emergencies such as natural disasters and pandemics. The use of government reserves are approved directly by the Prime Minister and would be assigned to the prime minister's office to provide notice of the use. The provincial reserve would be approved by the provincial governors.

Another fund is from the contribution from the public. This includes both support which is money or goods that are gathered from businesses, social and international organizations within or outside the country, in order to support any emergency cases.

The government has sought to increase the overall financing for disaster related expenditures by establishing funds, including the State Reserve Fund established in November 2013. These funds receive domestic sources of finance, mainly through annual State Budget allocations, and can be accessed in the event of an emergency.

The implementation of the State Budget during the fiscal year follows the planned budget allocations very closely, and no budget reallocations have taken place following disasters, according to the Budget Department. There has also been no reported use of additional taxes as an instrument to raise additional revenue following disasters. The relatively high level of external public debt to GDP may restrict additional borrowing to finance the cost of disasters in the medium term.

There are legislations established to support the implementation of the PFM. This is to ensure that the PFM are following the financial standards and that it is transparent.

The proposed Lao PDR National Strategy on Disaster Risk Reduction (NSDRR) 2021-2030 under responsibility of the Department of Social Welfare (DSW) under Ministry of Labor and

Social Welfare (MoLSW) as the secretariat of Central Disaster Management Committee (CDMC) is underway and would cover the DRM in details such as the process of DRM, plan to reduce and prevent from the disasters, recovery plans in case of a disaster occurring. This proposed strategy is expected to be approved in 2020 and enforced in 2021.

2.2 Legal and Institutional Framework of Public Financial Management

2.2.1 Current Public Financial Management System of Lao PDR

The laws and regulations that govern PFM and DRM include the followings:

- *The Disaster Management Law, No. 71/NA dated 24 June 2019;*
- *State Budget law no.71/NA, dated 16 December 2015;*
- *Procurement law no. 30/NA, dated 2 November 2017;*
- *Instruction on the implementation of procurement law no. 0477/MOF, dated 14 February 2019;*
- *Vision to 2030 and Public Finance Development strategy to 2025;*
- *Annual budget plan and five-year budget plan;*
- *Guideline on state budget establishment and guideline of the state budget implementation of the Ministry of Finance;*
- *Guideline on the management of revenues – expenditures, service’s fees and state fund no.0016/MoF, dated 3 January 2019;*
- *Guideline on the inspection of state budget management no. 1672/MoF, dated 3 June 2019;*
- *Minister of Finance’s Decision on Public Administrative Budget Expenditure Norms (Decision No.4000/MOF dated 12 December 2018);*
- *Tax law no. 66/NA, dated 17 June 2019;*
- *Notification on providing leftover budget into the state budget’s account no.0846/MoF dated 23 March 2020.*
- *Government’s Decree on State Reserves (Decree No.291/GOV, dated November 5th, 2013);*
- *Prime Minister’s Decree on Organization and Operation of Disaster Management Committee (Decree ref.no. 239/PM dated May 18th, 2020).*
- *Government’s Decree on Social Welfare (Decree No.169/GOV, dated June 19th, 2013);*
- *Minister of Labour and Social Welfare’s Decision on Responsibilities of National disaster prevention and control committee (Decision No.2737/MOLSW, dated July 30th, 2018);*
- *Minister of Labour and Social Welfare’s Instruction on Implementation of Decree on Social Welfare (Instruction No.874/MOLSW, dated February 23rd, 2015);*
- *Minister of Finance’s Instruction on Management and Usage of Donation Fund for Disaster Assistance (Instruction No.1516/MOF, dated May 21st, 2019).*
- *Value Added Tax Law no.: 48/NA dated 20 June 2018.*
- *Income Tax Law no.: 67/NA dated 18 June 2019,*
- *Exercised Tax no.:68/NA dated 19 June 2019.*

In Lao PDR, the PFM processes follow the Law of State Budget no. 71/NA dated December 16th 2015; Public Investment law no. 72/NA, dated 15 December 2015; Procurement law no. 30/NA, dated 2 November 2017 and related regulations.

According to PFM, the Government of Lao PDR (GoL) has formulated Five-Year State budget Plan, and Ministry of Finance (MOF) collects revenue and expenditure forecasting from related departments of MOF and coordinates with MPI, each government agencies and equivalent organizations to estimate their budget plan to submit to Lao National Assemble for approval. The Government will instruct Ministry of Finance to issue yearly guideline/instruction of budgeting preparation including informed ceiling scope of each sector for central, local provincial authorities set up with their owned budget units as each level.

For the budget execution, the local authority will coordinate with provincial assemble in each provinces, city, capital to consider the budget plan initially submit to Ministry of Finance and provincial department of finance, to summarize to government and national assembly in order to approve their annual budget plan, with submit detail of budget allocation plan to MOF to prepare permit document and payment instruction.

Central and local authorities need to submit monthly report on budget implementation to MOF. After the end of fiscal year, the State Audit Organization will audit the budget implementation of each central and local authorities and report the results to National Assembly.

2.2.2 PEFA Assessment

Lao PDR has identified the strength and weakness of its PFM System and is undertaking the PEFA assessment. So far, Lao PDR has conducted PEFA Assessment twice including the first time in 2010 assessing the budget implementation year 2006/07, 2007/08 and 2008/09 and the second assessment in 2018, approved and published in February 2020 (both can be found on the PEFA website (www.pefa.org)). The most recent result of PEFA assessment of the public finance management in 2018 was scored D. This assessment result did from fiscal public financial report year 2014-2015, fiscal year 2015-2016, and year 2017.

The PEFA result was used to be part of the development of the financial legislation such as the state budget law (amended) and some of the financial regulation under the law. The 2018 PEFA assessment are to: help the government prioritize its initiatives laid out in the Vision to 2030 and Public Finance Development Strategy 2025 (PFM Strategy) focusing on the areas where basic foundations systems are required; build the capacity and understanding of technical staff on the underlying PFM systems and standards and practices to strengthen their ability to deliver on the PFM action plans; and establish the government's platform for measuring PFM progress going forward and enable regular updates to the PFM reform program and subsequent monitoring.

This PEFA assessment highlights PFM reform areas that have already been identified by the government and the approval of the Vision to 2030 and Public Finance Development Strategy to 2025 by the Prime Minister in July 2017 has placed PFM reforms as a government priority. The strategy provides the framework for the medium-and long-term reform envisaged by the government and has high-level political support. The main objectives of the PFM Strategy 2025 are to strengthen public finances management to sustain dynamic and stable economic growth. Emphasis is on regional and international integration of Lao PDR, while at the same time,

focusing on protecting the environment, creating prosperity, and enhancing the livelihoods of all ethnic groups.

The PEFA assessment focuses on the national level of Lao PDR PFM systems, seeking to cover the entire PFM architecture, the revenue side and the expenditure side, through the budget cycle from planning through execution to control, reporting, and audit. This covered all the budgetary agencies of Lao PDR including the 46 ministries and state agencies (even if only 17 are presented in the State Budget Plans)—including the oversight institutions such as the State Audit Organization (SAO) and the National Assembly on budget and audit reports—and six other semi or fully extra budgetary funds and 162 state-owned enterprises (SOEs) partially or fully controlled by the government. All sectors have been included in the assessment—except information on aspects of defense, public order, and safety functions that have been left outside the scope of the samples for reasons of national security—with a focus on service delivery sectors.

The wider donor community has renewed its commitment to support those reforms through funding and technical assistance. The World Bank will continue to support this process through the ongoing Public Financial Management Reform Program Single Donor Trust Fund funded by the European Union. Other donors, including the IMF, Asian Development Bank and JICA are also providing assistance in the PFM area.

2.2.3 Procurement Assessment

The assessment of the public procurement system of Lao PDR was conducted in 2006 using the Baseline Indicators System (BIS) for measuring the quality of a country's procurement policies and institutional capacity, which was developed by the joint World Bank and Organization for Economic Cooperation and Development (OECD) Development Assistance Committee (DAC) Procurement Roundtable.

To strengthen the Government procurement system, the Government of Lao PDR has improved procurement regulation from Prime Minister's decree no. 03/PM dated January 9th 2004 to Law of Public Procurement no. 30/NA dated November 2nd 2017 and support the implementation by issuing MOF's Implementing Instruction no. 0477/MOF dated February 13th 2019.

The Government applies this Law and instruction in every public procurement in Lao PDR.

2.3 Legal and Institutional Framework of Emergency Activities

2.3.1 Disaster Risk Management

The following laws and regulations stipulate the overall disaster management process in Lao PDR:

- *The Disaster Management Law, No. 71/NA dated 24 June 2019;*
- *State Budget law no.71/NA, dated 16 December 2015;*
- *Government's Decree on State Reserves (Decree No.291/GOV, dated November 5th, 2013);*
- *Government's Decree on Social Welfare (Decree No.169/GOV, dated June 19th, 2013);*

- *Prime Minister's Decree on Organization and Operation of Disaster Management Committee (Decree ref.no. 239/PM dated May 18th, 2020).*
- *CDMC's decree on responsibilities of CDMC's members No. 01/CDMC, dated July 27th, 2020.*
- *Minister of Labour and Social Welfare's Instruction on Implementation of Decree on Social Welfare (Instruction No.874/MOLSW, dated February 23rd, 2015);*
- *Minister of Finance's Instruction on Management and Usage of Donation Fund for Disaster Assistance (Instruction No.1516/MOF, dated May 21st, 2019).*

Currently there is no approved disaster risk management plan for Lao PDR, however, there are Emergency Preparedness and Response for the year 2020 and the plan has been updated in annually. The DSW under MoLSW acts as secretariat for CDMC is underway to develop the Lao PDR National Strategy on Disaster Risk Reduction 2021-2030, which is expected to finish final review in 2020 and start implementing in 2021.

The disaster management is under the Law of Disaster Management no. 71/NA dated June 24th 2019 and Prime Minister's decree no. 239/PM dated May 18th 2020 on organizing and operating the Disaster Management Committee in order for implementing, managing and monitoring of disaster in Lao PDR.

The CDMC is appointed by the Prime Minister, non-permanent organization combining representatives from related government agencies, based on a proposal made by the Minister of Labor and Social Welfare, where DSW acts as secretariat to coordinate with related stakeholders from central government agencies to local authorities to implement disaster management. Disaster Management Committee consists of four levels such as central, provincial, district, and villages.

Central Disaster Management Committee has role to support the implementation of policies, strategies, measures, laws, regulations, plans, programs, and projects related to disaster management.

The Central Disaster Management Committee consists of the following:

1. Deputy Prime Minister, as the Chairperson;
2. Minister of Labour and Social Welfare, as the Deputy Chairperson and standing person;
3. Deputy Minister of the Ministry of Nation Defense, as a Deputy Chairperson;
4. Deputy Minister of Finance, as a Deputy Chairperson;
5. Deputy Permanent Secretary of the Prime's Minister Office as a Member;
6. Deputy Minister of Public Health, as a Member;
7. Deputy Minister of Agriculture and Forestry, as a Member;
8. Deputy Minister of Public Works and Transport, as a Member;
9. Deputy Minister of Education and Sports, as a Member;
10. Deputy Minister of Information, Culture and Tourism, as a Member;
11. Deputy Minister of Natural Resources and Environment, as a Member.

The Government may assign additional members based on the disasters that occur.

In addition to the Central Disaster Management Committee, a Ministry may establish a Ministerial Disaster Management Committee as an agency supporting the work of the Central Disaster Management Committee and as a focal point for coordination based on decisions made by the Minister or Head of the organization concerned. (Source - article 52 - Law of Disaster Management);

The Provincial Disaster Management Committee (PDMC) shall be appointed by the relevant Provincial Governor or the Mayor of Vientiane Capital, based on a proposal made by the Director of Labor and Social Welfare Department. Its role is to support the implementation of policies, strategies, measures, laws, regulations, plans, programs, and projects related to disaster management, for which the Social Welfare Division, Provincial Labor and Social Welfare Department, is the Secretariat.

The Provincial Disaster Management Committee consists of the following:

1. Deputy Provincial Governor, Vice Mayor of Vientiane Capital, as the Chairperson;
2. Director of Provincial Labor and Social Welfare Department, as the Deputy Chairperson and standing person;
3. Deputy Director of Provincial Defense, as a Deputy Chairperson;
4. Deputy Director of Provincial Finance Department, as a Deputy Chairperson;
5. Deputy Director of the Provincial Governor's Office as a Member;
6. Deputy Director of Provincial Public Health Department, as a Member;
7. Deputy Director of Provincial Agriculture and Forestry Office, as a Member;
8. Deputy Director of Provincial Public Works and Transport Department, as a Member;
9. Deputy Director of Provincial Education and Sports Service, as the Member;
10. Deputy Director of Provincial Information, Culture and Tourism Department, as a Member;
11. Deputy Director of Provincial Natural Resources and Environment Department, as a Member.

The provincial authority may appoint additional members based on the disasters that occur. (Source - article 53 - Law of Disaster Management).

The District Disaster Management Committee (DDMC) is appointed by the District Governor, or Head of Prefecture or City Mayor, based on a proposal made by the Head of the District Labor and Social Welfare Office. Its role is to lead the implementation of policies, strategies, measures, laws, regulations, plans, programs, and projects related to disaster management activities, for which the Social Welfare Unit, District Labor and Social Welfare Office, is the Secretariat.

The District Disaster Management Committee consists of:

1. Vice-Governor of the District, Deputy-Head of Prefecture and Vice-Mayor, as the Chairperson;
2. Director of District Labor and Social Welfare Office, as the Deputy Chairperson and Standing Person;
3. Deputy Director of District Military Office, as the Deputy Chairperson;

4. Deputy Director of District Finance Office, as Deputy Chairperson;
5. Deputy Director of District Governor's Office as a Member;
6. Deputy Director of District Health Office, as a Member;
7. Deputy Director of District Agriculture and Forestry Office, as a Member;
8. Deputy Director of District Public Works and Transport Office, as a Member;
9. Deputy Director of District Education and Sport Office, as a Member;
10. Deputy Director of District Information, Culture and Tourism Office, as a Member;
11. Deputy Director of District Natural Resources and Environment Office, as a Member.

The District Authority may appoint additional members based on the disasters that occur. (Source - article 54 - Law of Disaster Management).

The Disaster Management Committees have the following rights and duties within their areas of responsibility:

1. Issue disaster emergency warnings;
2. Propose to the Government, or the relevant provincial Governor, Mayor of Vientiane Capital, District Governor, Head of Prefecture, or City-Mayor for consideration and announcement of the area or locality affected by a disaster;
3. Issue orders to all stakeholders to be prepared for implement their duties in a timely manner;
4. Give an order to pay money directly out of the relevant level of Disaster Management Fund for the purpose of controlling a disaster;
5. Organize ad-hoc units for responding to disasters that have occurred or may occur;
6. Collaborate with line ministries, organizations, local authorities, all sectors and parties for disaster management;
7. Raise funds for disaster management through various means that are consistent with the Constitution and the law;
8. Receive monetary donations, materials and assets donated by individuals, domestic and foreign legal entities and organizations for use in disaster management activities;
9. Participate in meetings to discuss disaster management;
10. Participate in regional and international conferences related to disaster management;
11. Finalize reports related to their activities on implementation and submit them to the Government, or the relevant Provincial Governor, Mayor of Vientiane Capital, District Governor, Head of prefecture, or City-Mayor on a regular basis;
12. Exercise other rights and duties according to the law and assigned by higher authorities.

(Source - article 55 - Law of Disaster Management)

All in all, the above disaster management structures viewed as important mechanism for improving coordination across line agencies and sub-national offices involved in disaster risk management. For instance, in order to develop National Strategy on Disaster Risk Reduction, the DSW invited all of the government agencies who have roles related to this issue such as the Ministry of Finance to get involved.

Although the DSW was appointed as the secretariat to CDMC, the operations of DSW are still limited due to lack of a legal framework, implementation guidelines, and resources for the department. This also has implications on disaster risk management coordination.

Within the above structures, MoF and its local arms are in charge of the management and summary of all of the budget allocations based on the request of related ministries and the final decision making of the CDMC. The main responsibilities of MoF in the coordination framework are to participate in the committee meetings, provide comments or recommendations on the procurement process and expenditure list, provide status of budget position, recommend on available financial instruments to finance disaster and assist on checking which expenditures that could be covered from the losses that occurred.

2.3.2 Emergency Activities

The following the Disaster Management Law and Prime Minister's Decree on Organization and Operation of Disaster Management Committee, Deputy Prime Minister as the Chairman of the committee will proceed overall decision-making, and Minister of Labor and Social Welfare as Vice Chairman and Standing Person will coordinate with line ministries and each committee levels on emergency activity plan stipulates to submit preparation of approval.

In practice, when a disaster occurs, there would be a notice of disaster which is issued by the Chairman or Vice-Chairman of CDMC to related Ministries based on initial reports and information gathered from local authorities and PDMC/DDMC in the affected area.

According to the Disaster Management Law, the article 22-23, in case of a disaster occurring, the disaster committees (under MoLSW) at each level needs to be proactive in providing emergency relief immediately and/or in a timely manner. For the declaration of each area, Article 27 also mentioned that each level of the disaster management committees are responsible for declaring the disaster's affected area based on the level of the disaster. The parliamentary approval is not needed to determine the emergency activities since this is the roles of CDMC, PDMCs and DDMCs.

For Emergency Activities:

With reference of Law of Disaster Management, part II – Disaster Control Article 21: disaster control is to limit impacts of the occurring disaster not to have huge damage to health, life, public asset, property, person, and community.

Wherever the disaster occurs, the local authority needs to immediately provide emergency assistance in timely manner. Disaster Management Committees in each level have to coordinate with relevant ministries, agencies, local authorities including persons, entities and organizations within country and oversea in order to provide emergency assistances such as shelter, food, water and sanitation, emergency health services, clothes and other necessary to victims of natural disaster.

In case of severe disaster, CDMC will coordinates with local authority and concerned DMC to establish Emergency Command Center locates in Central and local area of disaster occurring, to allocate, relocate temporary staying, inventory, medical health assistance, logistic, distributed essential supplies.

Similar to roles stipulated in the disaster coordination framework, the MOF and its local arms will assist Disaster Management Committees in each level in terms of disaster financing such budget allocation to disaster related expenditures as discussed above under the annual State Budget preparation process. The State Budget is approved by the National Assembly (as stated in the Law on State Budget 2015).

A number of funds have been established by GoL which may be accessed to finance disaster related expenditures. Some of these funds are dedicated to financing post disaster expenditures, while others also cover non-disaster related uses. Many of these funds have been established relatively recently, following the large amounts of damage from the flood events in 2009, 2011, 2013 and 2018. These funds are managed by different government departments, with allocations largely from the State Budget, as well as other sources, such as the private sector or international organizations. Establishing dedicated reserve funds for disaster response and recovery provides some certainty of the financial resources immediately available to the government following a disaster. The use of reserve funds as a financial instrument is generally recommended for high frequency minor impact events.

The State Reserve Fund was established by the Government in November 2013 under PM Decree No. 291, to be used for emergency needs including disaster and non-disaster emergencies. The fund is comprised of a cash component (60% of the total value) and goods and materials component (40%), which includes rice, crop seeds, fuel, medical supplies, and rescue equipment. This will help to ensure allocated funding is made available for disaster related expenditures, and timely mobilization of funds.

The National Contingency Fund has been a main source of disaster risk financing in recent years, prior to the establishment of the State Reserve Fund. The National Contingency Fund is operated by the Budget Department under MoF.

Disaster related use of the fund includes preparedness, emergency relief, and rehabilitation and reconstruction expenditures. Non-disaster related uses of the fund include ensuring national security and maintaining economic stability. The State Reserve Fund has a target allocation of 3% of annual State Budget expenditure, according to the Decree on State Reserves. Which the Decree on State Reserves is established under, provides for an annual allocation to the State Reserve Fund from the State Budget. The value of the fund can accumulate from one fiscal year to the next if not all resources are spent. Expenditures from the fund are to be made according to requests from line agencies, and approved according to the scope of use of the fund. All expenditures from the fund must be approved by the Prime Minister. In most cases, expenditures are to be channeled from the fund directly to suppliers of goods, works, and services.

Despite of a number of funds established, the GoL currently has insufficient funding arrangements in place for major disaster events – the costs of previous disasters have outweighed the resources allocated for disaster related expenditures from contingency budgets and disaster funds. The Government has still not financed all expenditures from previous years, while additional costs are incurred every year from disasters. As a result, the Government, households, and businesses end up paying for most of the damages to assets they own. Households bear the cost when essential services are not restored and compensation is not provided for damaged private assets and lost agricultural output, as well as businesses who do not get paid for the services they provide e.g. urgent infrastructure repair work.

2.4 Accounting of the insurance proceeds

Lao PDR shall receive the insurance payouts based on the level of risks and floods according to Soft trigger and parametric trigger of its contribution. In order to receive the insurance payouts, National Treasury on behalf of MOF will open New Special Account of Foreign Currency in Bank of the Lao PDR. In addition, the operational account in Lao Kip will be opened in commercial banks in Lao PDR to finance the eligible activities.

Such payout will be spent with the approval of Central Disaster Management Committee. After the approval from the Committee, the payout will be directly transferred to the respective organizations. These organizations will make the accounting for the payout in line with the related laws and regulations and will be audited for their insurance payout expenditures.

2.5 Indicative Eligible Expenditures

Given the SEADRIF insurance payout is relatively small but promptly disbursed after a disaster; the insurance proceeds will be utilized for post disaster relief and emergency aid. The expenditure will be associated with providing life-saving humanitarian aid and protecting livelihoods, especially of the poor and vulnerable people immediately after the disaster event. During this initial phase, rapid assessments are conducted to evaluate the most urgent needs. The following is an indicative list of eligible expenditures:

- **Water and Sanitation** - Provision of safe water, sanitation and hygienic services and goods; Wastewater and solid waste disposal; Health workers and experts to support good sanitation and hygiene practices.
- **Health** – Deployment of health professionals and services in affected areas to reduce morbidity and preventable mortality; Disease surveillance; Disease prevention and control; Emergency coordination of health action; Health information management; provision of medical supplies and equipment.
- **Shelter** - Provision of emergency shelter to affected population; Ensuring safe shelter and relief for women, children and people with disabilities; support to aid supplies to the affected population (e.g., food, water, shelter, blankets, mattresses, medicines).
- **Logistics** - Securing transportation and access needed for sending life-saving operation and immediately needed key relief items.
- **Emergency telecommunication** - Provision of emergency telecommunications; Quick recovery of telecommunication systems.
- **Food & Nutrition** - Provision of food relief in affected areas; Provision of nutritional care for infants, children and breastfeeding mothers.
- **Education & Child Protection** - Rehabilitation of damaged schools; Deployment of educators and dispatch of essential learning packages, recreational items, and early childhood development kits; Provision of immediate protection of children and women from violence, abuse and exploitation in affected areas, particularly unaccompanied and separated children, through family tracing and reunification, establishment of safe environments (child friendly spaces), community-based psychosocial care and support, and the prevention of sexual abuse and exploitation

2.6 Exclusion of Expenditures

The Government of Lao PDR commits to ensuring that payouts are used for their intended purposes and free of corruption. The Government of Lao PDR will also ensure that SEADRIF insurance payouts will not finance any activities that could pose high or substantial environmental and social risks and impacts, consistent with the World Bank's Environmental and Social Framework (ESF). Specifically, the Government of Lao PDR is committed to comply with the exclusion list in **Annex 3** that provides details on activities that could pose significant

or high environmental and social risks and impacts, consistent with the World Bank's Environmental and Social Framework (ESF).

The Government of Lao PDR will comply with all applicable national laws and regulations including those on fiduciary, environment, social, health, safety, and labor when carrying out activities using the insurance payouts. These laws and regulations include State Budget Law, Public Procurement Law and so on. The CDMC will provide oversight and make arrangements for ensuring that the activities follow all applicable national requirements.

2.7 Procurement Procedures

For the emergency response and recovery activities, the usage of funding and purchasing of goods from the SEADRIF insurance payout after the disaster shall be carried out based on the Procurement law no. 30/NA, dated 2 November 2017 and Instruction on implementation of public procurement law no. 0477/MOF, dated 14 February 2019.

The Central Disaster Management Committee based in MoLSW will proceed the procurement procedure in line with the article 4.2.4.6 of the Instruction on implementation of public procurement law no. 0477/MOF, dated 14 February 2019, which clearly explained all steps to be taken.

2.8 Accounting and Reporting of Insurance Payouts

In the event of the disaster, on behalf of Ministry of Finance, DSI shall request and receive the payout from SEADRIF Insurance Company and sequentially transfer to the implementing organizations with the approval of the CDMC. The process of receiving payout shall be as prescribed in SEADRIF Contingency Plan and in line with MOF's financial regulations. The expenditure of the payouts will be audited by the State Audit Organization. Payout Expenditure Report shall be prepared by the relevant organizations and sent to the DSI of Ministry of Finance within 8 months after expending the insurance payout. Then, it will be submitted to the committee of Sub-Trust A and Trustee through MOF within 9 months following template in the **Annex 1.**

2.9 Financial Audit

Ministry of Finance will allow the Trustee to audit the dedicated bank accounts and the relevant account documents for SEADRIF insurance payouts when requested by the Sub-Trust A Committee or the World Bank. The audit will include checking the compliance with the Exclusion List set out in **Annex 3.** In the event that the financial post-audit finds non-compliance by the beneficiary country with said exclusion list, there will be a need to rectify the non-compliance(s) in accordance with the action plan agreed by the Committee and new insurance policies will be issued until rectified.

CHAPTER 3: ENVIRONMENTAL AND SOCIAL MANAGEMENT (ESM)

3.1 Environmental and Social Policies, Regulations and Laws

3.1.1 Key Lao PDR Laws and Regulations Relevant to the Project

The key Lao PDR laws and regulations relevant to the Project are summarized in Table 2 below. This list highlights the principal environmental and social legislation applicable to activities funded by the SEADRIF insurance payouts under the Lao PDR Improved Access to Disaster Risk Finance Project. It is not exhaustive; further review of applicable legislation will be conducted during the preparation of any project-level Environmental and Social Management Plans (ESMPs) as required.

Given the nature of the Project—which focuses on post-disaster relief, emergency aid, and the rapid deployment of funds to support essential services such as water and sanitation, health, shelter, logistics, emergency telecommunications, food and nutrition, education, and child protection—the relevant national laws cover a broad range of environmental, social, labor, and disaster management areas. The following laws ensure that insurance payouts are used responsibly, minimizing environmental and social risks while safeguarding public health, worker safety, and vulnerable groups during emergency response and recovery (Table 1).

Table 1: Key Environmental and Social Legislation of Lao PDR

| Related National Legislation | Relevance (Aligned with Exclusion List) |
|--------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------|
| Environmental | |
| Law on Environment Protection, No. 29/NA, 18/12/2023 | Core legal basis for E&S risk screening and general environmental safeguards. Remains relevant for all eligible activities. |
| Law on Forestry, No. 08/NA, 13/06/2019 | Applicable only for screening; activities in protected or conservation forests are excluded. |
| Law on Aquatic Animal and Fishery, No. 41/NA, 17/07/2023 | Remains relevant for eligible emergency works near water bodies or aquatic systems. |
| Law on Wild Animal, No. 42/NA, 17/07/2023 | For awareness only; activities with significant wildlife impacts are excluded. |
| Law on Disaster Management, No. 15/NA, 24/06/2019 | Foundational to project design and emergency response implementation under the LCP. Fully relevant. |
| Law on Water and Water Resources, No. 23/NA, 11/05/2017 | Relevant for sanitation, flood relief, and water restoration efforts. |
| Decree on Environmental Impact Assessment (EIA), No. 389/GOL, 20/10/2022 | Not applicable for excluded high-risk activities. May still be referenced for screening and compliance assurance. |
| Decision on IEE/EIA Thresholds, No. 0358/MONRE, 02/2023 | Not directly triggered. Helps inform classification and exclusion screening. |
| Decree on Protected Forest, No. 219/GoL, 20/06/2023 | Activities in these areas are excluded. Law remains useful for location screening. |
| Decree on Protection Forest, No. 01/GoL, 04/01/2024 | Same as above; for screening only. Activities causing significant impacts are excluded. |
| Decree on Production Forest, No. 02/GoL, 04/01/2024 | Applicable for temporary access or low-risk work; significant disturbance excluded. |
| Decree on Climate Change, No. 321/GoL, 18/09/2019 | Aligns payouts with national resilience and adaptation policy. Still relevant. |
| Ministerial Instruction on Hazardous Waste, No. | Key for emergency-related waste management (e.g. |

| | |
|--------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
| 0744/MONRE, 11/02/2015 | damaged medical supplies). Fully applicable. |
| Decree on Right of Way (ROW), No. 185/GoL, 2022 | May be relevant for access works; applicable if rights-of-way are used temporarily. |
| Social | |
| Law on Resettlement and Occupation, No. 086/NA, 15/06/2018 | Not applicable—land acquisition and resettlement are excluded. |
| Law on Labour Protection, No. 43/NA, 24/12/2013 | Fully relevant—applies to emergency and temporary labor protections. |
| Decree on Occupational Health and Safety, No. 22/GOL, 05/02/2019 | Applies to worker safety during emergency operations. |
| Decision on GAP for Labor Safety, No. 0540/MAF, 09/02/2011 | Applicable to agriculture-related recovery labor. |
| Law on Hygiene, Prevention and Health Promotion, No. 73/NA, 22/11/2019 | Important for shelter, sanitation, and public health during emergencies. |
| Law on Prevention of HIV Disease, 29/06/2010 | Relevant for health and awareness in community-based interventions. |
| Law on Preventing and Combating Violence Against Women and Children, No. 56/NA, 23/12/2014 | Critical for SEA/SH prevention and safe relief spaces. |
| Law on Development and Protection of Women and Children, No. 08/NA, 22/10/2004 | Reinforces gender equity and inclusion in aid efforts. |
| Law on Grievance Redress, No. 023/NA, 09/11/2016 | Legal basis for receiving and resolving project-related complaints. |
| Ethnic Groups | |
| Constitution of Lao PDR, No. 63/NA, 08/12/2015 | Constitution of Lao PDR, No. 63/NA, 08/12/2015 |
| Ethnic Minority Policy (1992) | Ethnic Minority Policy (1992) |
| Ethnic Group Consultation Guideline, LFND (2012) | Ethnic Group Consultation Guideline, LFND (2012) |

3.1.2 World Bank Standards and Key Gaps with National Framework

The project will follow the **World Bank Environmental and Social Standards (ESSs)**, as well as the **World Bank Group Environmental, Health and Safety (EHS) Guidelines**. Based on these policies and the scope of the project, focusing on premium financing and the use of insurance payouts for short-term disaster response and early recovery, the **environmental and social risk of the project is categorized as Moderate**.

The **environmental risk** of the project is considered **moderate**. The grant-financed activities themselves (i.e., insurance premium payment) have no direct environmental impact. However, if a payout is triggered, the subsequent use of funds may include emergency procurement of goods, minor repairs to infrastructure, debris removal, and provision of temporary services (e.g., water, health, shelter). These activities are expected to be **limited in scope, short-term, and site-specific**, and can be effectively managed through the implementation of existing procedures and mitigation measures aligned with national systems and the project's Environmental and Social Commitment Plan (ESCP).

The **social risk** of the project is also considered **moderate**. Insurance payouts may fund activities involving temporary labor (e.g., debris removal, temporary repairs), procurement of basic goods and services, and provision of assistance to affected populations. While these activities are essential to ensure rapid response, potential risks include issues related to **labour conditions, community health and safety, targeting and equitable access to benefits**, as well

as risks of **Sexual Exploitation and Abuse/Sexual Harassment (SEA/SH)** during relief distribution. These risks are mitigated by using existing national frameworks complemented by SEADRIF-specific guidelines, screening processes, and the ESCP. No significant land acquisition, resettlement, or major civil works are anticipated. The World Bank's Environmental and Social Standards applicable to this project are summarized in Table 2 below:

Table 2: Relevant World Bank ESS

| ESS | Relevant | Rationale |
|------------------------------------------------------------------------------------------------------------|----------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ESS1: Assessment and Management of Environmental and Social Risks and Impacts | ✓ | Relevant due to potential short-term, site-specific E&S risks from emergency response activities. The LCP functions as the ESMF to guide risk screening, mitigation, and monitoring. |
| ESS2: Labor and Working Conditions | ✓ | Relevant due to engagement of government, contracted, and emergency response workers. Requirements include OHS, fair labor practices, and a Code of Conduct (CoC). |
| ESS3: Resource Efficiency and Pollution Prevention and Management | ✓ | Applicable to emergency response actions such as debris management, water/sanitation services, and waste handling. ECOP measures will be applied. |
| ESS4: Community Health and Safety | ✓ | Relevant due to risks linked to disaster relief, temporary shelters, emergency logistics, and SEA/SH. ECOP and CoC provisions are integrated. |
| ESS5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement | ✓ | Relevant to ensure screening excludes significant land acquisition. In cases where emergency activities involve minor land acquisition and compensation (e.g., for civil works), compensation must be provided at replacement cost, prior to commencement of works, and in compliance with ESS5. |
| ESS6: Biodiversity Conservation and Sustainable Management of Living Natural Resources | ✓ | While activities in or near protected areas are excluded, ESS6 remains relevant to ensure screening avoids residual impacts on sensitive ecosystems (e.g., forest areas used for temporary access or shelter). |
| ESS7: Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities | ✓ | Relevant due to the presence of ethnic groups in affected areas. The SEP and EGDF ensure inclusive consultation, culturally appropriate support, and equitable access to benefits. |
| ESS8: Cultural Heritage | ✓ | Relevant to avoid inadvertent impacts to cultural heritage during emergency operations. Chance find procedures will be implemented in all civil works. |
| ESS9: Financial Intermediaries | ✓ | Relevant as SEADRIF Insurance Company serves as a financial intermediary. While implementation is government-led, financial accountability, post-audit, and reporting obligations apply. |
| ESS10: Stakeholder Engagement and Information Disclosure | ✓ | Relevant to ensure meaningful consultation, inclusive communication, grievance redress, and information sharing with affected communities, guided by the SEP embedded in the LCP. |

3.2 Potential Environmental and Social Risk Impacts and Mitigation Measures

3.2.1 Positive Impacts

The project is expected to generate several positive impacts. It will enhance financial resilience by enabling timely access to funds following disasters, thereby reducing economic shocks, particularly for vulnerable populations. It will also improve disaster preparedness and response through strengthened national systems for contingency planning and disaster risk financing. The project aligns with existing public financial management (PFM) frameworks, allowing for the rapid deployment of emergency funds. Insurance payouts supported by the project can be

utilized to sustain and restore critical public services, such as schools and health centers, in the aftermath of disasters. Additionally, the project contributes to institutional strengthening by improving coordination among the Ministry of Finance (MoF), Ministry of Labor and Social Welfare (MoLSW), and other relevant agencies involved in disaster response and recovery planning. It enhances the capacity of national systems in financial risk management and transparency. Furthermore, the project complements existing national disaster risk management (DRM) frameworks by building on current policies, strategies, and legal instruments and supporting the effective and inclusive implementation of the updated Lao Contingency Plan (LCP).

3.2.2 Potential Risks and Adverse Impacts

While the project is expected to deliver significant positive outcomes, it may also present some environmental and social (E&S) risks and negative impacts, particularly during the implementation of activities financed by insurance payouts. These risks are generally low to moderate in nature, given the limited scope of physical works and the focus on emergency response. However, appropriate measures have been integrated into the Lao Contingency Plan (LCP) to ensure that these risks are effectively mitigated in line with the World Bank's Environmental and Social Framework (ESF). The main environmental and social (E&S) risks and potential negative impacts are outlined below:

Environmental Risks and Impacts:

- **Waste Management:** Improper disposal of solid and hazardous waste from emergency relief and minor repairs.
- **Water Quality:** Contamination of water sources from construction materials, chemical spills, or improper waste handling.
- **Soil Erosion and Degradation:** Land disturbance during emergency response and minor infrastructure repair works.
- **Air Quality:** Dust and emissions generated from construction activities or transport of emergency supplies.
- **Noise:** Increased noise levels due to construction or relief distribution activities.
- **Resource Overuse:** Excessive or unsustainable extraction of local resources (e.g., timber, water) for emergency activities.

Social Risks and Impacts:

- **Occupational Health and Safety (OHS):** Injuries, accidents, and occupational illnesses among workers due to unsafe working conditions during emergency relief operations or repairs.
- **Community Health and Safety:** Potential hazards to the public from construction activities, traffic accidents involving project vehicles, or the spread of diseases due to inadequate sanitation or overcrowded temporary shelters.
- **Labor Rights:** Risk of unfair labor practices, including child labor, forced labor, or discriminatory employment practices.
- **Gender-Based Violence and Sexual Exploitation and Abuse (SEA/SH):** Increased risks associated with influx of emergency workers into local communities, affecting particularly vulnerable groups.

- Inclusion Issues: Potential exclusion or inadequate targeting of relief measures for vulnerable or marginalized groups (e.g., ethnic minorities, women, elderly, persons with disabilities).
- Grievance Redress Mechanism (GRM) Inefficiencies: Lack of effective mechanisms for communities and workers to raise concerns or grievances regarding project implementation.

Institutional and Capacity Risks:

- Limited E&S Capacity: Insufficient knowledge, capacity, or resources among implementing agencies to manage E&S risks according to World Bank ESF and national regulations.
- Misuse of Funds: Risks of non-transparent allocation or inappropriate use of funds due to the rapid disbursement of emergency resources.

3.2.3 Mitigation Measures

To address environmental and social (E&S) risks associated with the use of disaster insurance payouts, the project integrates a comprehensive set of mitigation measures outlined in this LCP, Environmental Code of Practice (ECOP), adherence to the Environmental and Social Commitment Plan (ESCP), Code of Conduct (COC), Chance Find Procedure (CFP), and effective stakeholder engagement throughout project implementation. Together, these measures help ensure that all emergency activities supported under the project are environmentally and socially sound, inclusive, and consistent with both national regulations and World Bank requirements. The approach is designed to ensure transparency, accountability, and effective risk management in line with the **World Bank Environmental and Social Framework (ESF)**.

Key risk mitigation and compliance measures include:

- Conduct training on application of ECOPs, CoC, CFP and end-of-assignment E&S performance reporting.
- Ensure transparent and accountable use of SEADRIF payouts through compliance with national financial laws, CDMC oversight, procurement controls, audit requirements, adherence to the Exclusion List, and corrective action for any misuse.
- Preparation and implementation of the ESCP, which outlines institutional arrangements, staffing, training, monitoring, and reporting requirements.
- Application of strict eligibility and exclusion criteria for activities funded through insurance payouts, as defined in this LCP and reflected in **Annex 3**.
- Application of the E&S Screening Form (**Annex 4**) to guide screening, classification, and risk mitigation during emergency response, ensuring selected activities are eligible and E&S risk is low or moderate.
- Incorporate relevant ECOP (**Annex 6**), CoC (**Annex 7**), and CFP (**Annex 8**) into procurement documents and contracts, and ensure compliance by contractors and suppliers.

- Establishment of monitoring and reporting systems, including annual E&S performance reports and contractor E&S completion reports.
- Strengthening institutional capacity through a tailored training plan (Section 3.5), with targeted capacity-building for MOF, MOLSW, NDMC, PDMCs, and implementing entities on the ESCP, ESMF/LCP, and PFM procedures.
- Inclusion of a Stakeholder Engagement Plan (SEP) to ensure culturally appropriate, inclusive, and continuous stakeholder engagement, particularly with affected communities, ethnic groups, and vulnerable populations.
- Operation of a functional Grievance Redress Mechanism (GRM) to address concerns, promote accountability, and provide safe channels for sensitive issues such as SEA/SH.

3.3 Procedures for E&S Management

To ensure the effective management of environmental and social (E&S) risks under the **Lao PDR Improved Access to Disaster Risk Finance Project**, a streamlined process is required to align with the post-disaster context and the rapid deployment of SEADRIF insurance payouts. The project follows a four-stage cycle that integrates disaster coordination mechanisms with the requirements of the **World Bank's Environmental and Social Framework (ESF)** and the **Environmental and Social Commitment Plan (ESCP)**.

Table 3 below outlines the key project stages and corresponding E&S management procedures, specifying responsibilities and actions required to ensure that emergency response and recovery activities are implemented in a safe, inclusive, and accountable manner, in accordance with national systems and the Lao PDR Contingency Plan (LCP).

Table 3: Project Cycle and E&S Management Procedures

| Project Stage | E&S Stage | E&S Management Procedures |
|-----------------------------------------------------------------------------------|--------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. Pre-Disaster (Preparedness & Readiness) | Planning and Systems Preparation | <ul style="list-style-type: none"> ❖ Maintain qualified E&S staff within MOF and MoLSW as per ESCP. ❖ Ensure Special Account and operational procedures are ready per MOF requirements. ❖ Recruit an E&S consulting firm to: <ul style="list-style-type: none"> – Translate and disclose E&S tools (ESCP and LCP) in Lao language. – Disseminate and train CDMC, PDMC and DDMC on the ESCP and this LCP. – Establish E&S monitoring, reporting templates, and contractor's end-of-assignment E&S performance reporting formats. |
| 2. Immediate Post-Disaster Trigger and Engagement of Contractors/Suppliers | Emergency Screening, E&S Classification, and E&S training | <ul style="list-style-type: none"> ❖ Upon disaster notification by CDMC, identify and prioritize emergency activities. ❖ CDMC and PIC oversee approval of activities and funds flow. ❖ The PIC, with technical assistance from the recruited E&S consulting firm to: <ul style="list-style-type: none"> – Screen proposed eligible activities against the Exclusion List (Annex 3) – Screen selected activities using the E&S Screening Form (Annex 4) to ensure they are eligible and E&S risk is low or moderate. |

| Project Stage | E&S Stage | E&S Management Procedures |
|---------------------------------------------|-----------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | <ul style="list-style-type: none"> – Ensure screening excludes significant land acquisition. In cases where emergency activities involve minor land acquisition and compensation (e.g., for civil works), compensation must be provided at replacement cost, prior to commencement of works, and in compliance with ESS5. – Conduct consultation and information disclosure about the activity, risks, impacts and proposed measures. – Incorporate relevant ECOP (Annex 6), CoC (Annex 7) and CFP (Annex 8) into procurement documents and contracts (Contractors and/or suppliers) – Conduct training for contractors/suppliers on application of ECOPs, CoC, CFP and end-of-assignment E&S performance reporting. |
| 3. Emergency Activity Implementation | E&S Risk Management and Monitoring | <p>The PIC, with technical assistance from the recruited E&S consulting firm, supervise and monitor the compliance of contractors/suppliers to:</p> <ul style="list-style-type: none"> ❖ Maintain an effective GRM for beneficiary feedback and complaints (Section 3.8.2 and Annex 10). ❖ Ensure the contractor assigns qualified E&S personnel. ❖ Verify compliance with ESCOP, CoC, and CFP. ❖ Confirm submission of the contractor's end-of-assignment E&S performance report. ❖ Notify the World Bank of any significant E&S incidents within 48 hours (Annex 9). ❖ Address non-compliance in accordance with corrective action plans, if applicable. |
| 4. Reporting and Evaluation | Monitoring, Audit, and Completion | <ul style="list-style-type: none"> ❖ The PIC, with technical assistance from the recruited E&S consulting firm, conducts ESS supervision and compliance monitoring to: <ul style="list-style-type: none"> – Collects Payout Expenditure and E&S Performance Reports from implementing agencies within 8 months after expending the insurance payout and submit them to the committee of Sub-Trust A and Trustee through PIC/MOF within 9 months following template in the Annex 1. – Submit annual E&S monitoring report to the World Bank including GRM data, stakeholder engagement, compliance status (Annex 11). ❖ SEADRIF E&S Focal Point conducts and submits E&S post-auditing reports to the Trustee and WB. |

3.4 Implementation Arrangements

At the national level, the Ministry of Finance (MOF), through the Department of State-Owned Enterprise and Insurance (DSI), serves as the Project Implementing Committee (PIC) and is responsible for coordinating insurance payout activities, including compliance with the Environmental and Social Commitment Plan (ESCP). The MOF will maintain at least one qualified Environmental and Social (E&S) staff and will recruit an E&S consulting firm to support implementation, capacity building, and reporting.

The Department of Labor and Social Welfare under the Ministry of Labor and Social Welfare (MoLSW) which acts as Secretariat to the National Disaster Risk Management Committee (NDMC) and is responsible for the coordination of all disaster response activities in the country

shall maintain one qualified E&S staff to work and coordinate with PIC's E&S staff ensuring that all E&S mitigation measures identified in the LCP and ESCP are fully implemented.

The Central Disaster Management Committee (CDMC) and the Provincial Disaster Management Committees (PDMCs), established under Prime Minister's Decree No. 199/PM, are composed of various line agencies at both the national and provincial levels. These committees are responsible for the selection, oversight, and approval of eligible emergency activities following a disaster. They ensure that insurance payouts are utilized in a timely, transparent, and environmentally and socially responsible manner

Implementing organizations at the local level are responsible for executing eligible activities. These organizations must maintain one qualified E&S staff to ensure implementation of site-specific environmental and social mitigation measures.

Contractors/suppliers implementing eligible emergency activities will be required to assign one E&S focal point and comply with all applicable E&S requirements under the ESCP and LCP, including adherence to Environmental Code of Practice (ECOP), Code of Conduct (CoC), and labor and community health and safety standards.

The SEADRIF E&S Focal Point: the responsibility of the SEADRIF E&S Focal Point is to conduct post-audits on environmental and social compliance related to the use of insurance payouts, prepare and submit E&S post-audit reports to the SEADRIF Trustee and the World Bank, and implement all other E&S tasks as required under the SEADRIF Environmental and Social Management System (ESMS).

The MOF shall recruit a qualified E&S Consulting Firm to support the implementation of E&S measures agreed in this ESCP and LCP and ensure that activities funded under the insurance payouts are fully compliance with ESS requirements.

The E&S consulting firm, hired by MOF, will support the PIC in:

- Conducting training for NDMC, PDMCs, and implementing entities
- Supporting screening, monitoring, and documentation of activities
- Preparing annual E&S performance reports for the Bank
- Supporting incident and accident reporting and corrective actions

The Table 4 below outlines the key roles and responsibilities for E&S implementation under this LCP and ESCP.

Table 4: Implementation Arrangements

| Responsible Entity | Key Roles and Responsibilities |
|---------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| MOF / PIC (DSI) | <ul style="list-style-type: none"> - Overall implementation oversight of the ESCP and LCP - Maintain E&S staffing and manage E&S consulting firm - Prepare and submit annual E&S reports - Coordinate with CDMC and PDMCs on eligible activity screening and fund flow |
| MoLSW / NDMC Secretariat | <ul style="list-style-type: none"> - Coordinate emergency response - Assign E&S focal point - Oversee LCP implementation related to social, labor, and health issues |
| CDMC / PDMCs/ | <ul style="list-style-type: none"> - Select eligible activities based on the exclusion list and disaster impact - Approve and monitor implementation of emergency interventions |
| Implementing Entities | <ul style="list-style-type: none"> - Execute eligible activities funded under the insurance payouts - Maintain one E&S staff - Report on environmental and social performance |

| Responsible Entity | Key Roles and Responsibilities |
|------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Contractors/Suppliers | <ul style="list-style-type: none"> - Implement emergency activities per ECOP, CoC, LMP, CHS/OHS measures - Assign an E&S focal point - Submit E&S performance report at the end of implementation |
| SEADRIF E&S Focal Point | <ul style="list-style-type: none"> - Conducts E&S post-audits on insurance payouts, - Submits reports to the Trustee and World Bank, and - Carrying out all E&S tasks under the SEADRIF ESMS. |
| E&S Consulting Firm | <ul style="list-style-type: none"> - Provide technical support to MOF and NDMC - Train stakeholders - Monitor activity compliance - Prepare monitoring reports and incident reports |

3.5 Training and Capacity Building Plan

Objective:

This training plan ensures that all relevant stakeholders involved in the use of SEADRIF insurance payouts under the Lao PDR Improved Access to Disaster Risk Finance Project (P505224)—particularly the E&S staffs from the Ministry of Finance (MoF), Ministry of Labor and Social Welfare (MoLSW), Central Disaster Management Committee (CDMC), Provincial Disaster Management Committees (PDMCs), and implementing partners—are equipped with the skills and knowledge necessary to implement the environmental and social requirements outlined in the Environmental and Social Commitment Plan (ESCP) and Environmental and Social Management Framework (ESMF) as part of the Lao Contingency Plan (LCP).

A capacity assessment conducted during ESMF preparation identified critical E&S knowledge and implementation gaps at both national and sub-national levels. While MoF, MoLSW, and CDMC have some experience with donor-financed projects, their capacity to apply the World Bank’s Environmental and Social Framework (ESF)—particularly ESS1, ESS2, ESS4, ESS5, ESS6, ESS7, ESS8, ESS9, and ESS10—remains limited. These gaps are more significant among PDMCs, implementing agencies, and **local contractors** involved in emergency response and recovery activities.

Training Scope and Mandatory Training Programmes:

The E&S Consulting Firm will design and deliver targeted training to address capacity gaps and ensure implementation readiness. Training will be provided to NDMC, PDMCs, E&S focal staff, and selected contractors involved in activities funded through the insurance payouts, ensuring participants understand their roles and responsibilities under the ESCP and LCP, including implementation, monitoring, and reporting.

A structured, cascading training approach will be applied starting at the national level and extending to provincial, district, contractor, and community levels—to support effective implementation of the ESCP, ESMF/LCP, and Stakeholder Engagement Plan (SEP). All training will be tailored to the stakeholder context and delivered with technical support from the E&S Consulting Firm. (See Table 5: Proposed Training and Capacity Building)

Training will cover, at a minimum, the following topics:

- Environmental and social risk screening and classification, including the application of the Exclusion List (**Annex 3**) and Risk Classification Guideline (**Annex 4**);

- Stakeholder engagement and operation of the Grievance Redress Mechanism (GRM);
- Implementation of the Environmental Code of Practice (ECOP) and Code of Conduct (CoC);
- Monitoring, documentation, and reporting procedures in accordance with the ESCP and LCP;
- Roles and responsibilities of government agencies, contractors, and community stakeholders under the project;
- Labor management and occupational health and safety (OHS) measures;
- Incident and accident notification and corrective action protocols.

Training Records and Reporting:

The E&S Consulting Firm, in collaboration with MoF and MoLSW, will maintain a detailed training attendance log and provide a summary of capacity-building activities in the annual E&S performance reports submitted to the World Bank.

Timeline:

- Initial mandatory training will be delivered within the first quarter after project effectiveness.
- Refresher and ad hoc training sessions will be delivered annually and as needed throughout project implementation, particularly in response to evolving needs, newly engaged stakeholders, or significant changes in project activities.

Table 5: Proposed Training and Capacity Building

| Level | Responsible Party | Target Audience | Training Topics |
|----------------------------------------------------------|--------------------------------------------------|------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| National Level | E&S Consulting Firm with support from MOF and WB | MoF (DSI), MoLSW, NDMC Secretariat, E&S staffs | <ul style="list-style-type: none"> - Overview of LCP and ESCP - Eligible vs. excluded activities - Roles and responsibilities in screening, reporting, and compliance - Annual E&S performance reporting - Incident/accident notification procedures |
| Provincial & District Levels | E&S Firm with assistance from E&S staffs | PDMCs, DDMC, implementing entities | <ul style="list-style-type: none"> - Risk screening and activity classification - SEP and inclusive engagement practices - Grievance redress and documentation - ECOP, CoC and CFP measures - Contractor oversight and compliance monitoring |
| Implementing Agencies & Contractors/Suppliers | E&S Firm with assistance from E&S staffs | Local contractors, suppliers | <ul style="list-style-type: none"> - ECOP, CoC, CFP implementation - Contractor E&S responsibilities - SEP and inclusive engagement practices - Grievance redress and documentation - Accident/incident reporting procedure and form - Reporting obligations, including end-of-activity reports |

| Level | Responsible Party | Target Audience | Training Topics |
|------------------------|------------------------------------------|-----------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|
| Community Level | E&S Firm with assistance from E&S staffs | Disaster-affected communities, ethnic groups, vulnerable groups | - GRM awareness and safe reporting channels - SEA/SH prevention - Project-related information |

3.6 Monitoring and Reporting of E&S Performance

The Ministry of Finance (MoF), with support from the Environmental and Social (E&S) Consulting Firm, will submit annual E&S performance reports to the World Bank no later than 10 business days after the end of each reporting period. These reports will cover the use of insurance payouts and compliance with this LCP, ESCP, and relevant ESSs. The E&S staffs from MoF and the MoLSW will be responsible for collecting and validating the necessary data, in coordination with PDMCs and implementing partners. Reports will include:

- Confirmation that emergency activities funded under the insurance payouts were selected and screened using the Exclusion List ([Annex 3](#)) and Risk Classification Guidance ([Annex 4](#)), in accordance with the LCP and ESCP.
- Status of implementation of activity-specific environmental and social (E&S) measures, including application of the Environmental Code of Practice (ECOP), Code of Conduct (CoC), and other commitments outlined in the LCP and ESCP.
- Summary of stakeholder engagement activities conducted, in line with the Stakeholder Engagement Plan (SEP) included in the LCP.
- Summary of E&S issues encountered during the reporting period, along with corrective and preventive actions taken or planned.
- Grievances submitted through the Grievance Redress Mechanism (GRM), including entries in the grievance log and the status of resolution.
- Incident and accident reporting, including the number, nature, and resolution status of cases.
- Assessment of E&S performance of implementing entities and contractors, including adherence to contractual obligations and mitigation measures.
- Corrective measures adopted during implementation, based on monitoring findings, stakeholder feedback, and incident responses.

Incident or Accident Reporting:

In the event of any significant incident or accident related to project activities funded through the insurance payouts—including, but not limited to, death or serious injury to workers or the public; acts of violence, discrimination, or protest; allegations of sexual exploitation, abuse (SEA), or sexual harassment (SH); forced or child labor; major pollution; displacement without due process; significant community conflict; disease outbreaks; or unforeseen impacts to cultural heritage or biodiversity—the Ministry of Finance (MoF), with support from the E&S Consulting Firm, must notify the World Bank **within 48 hours** of becoming aware of the incident. Upon request, the MoF shall provide all available information and details regarding the incident ([Annex 9](#)).

Following notification, the MoF shall arrange for an appropriate review to identify the immediate, underlying, and root causes of the incident or accident. Based on this review, the MoF shall prepare, agree with the Bank, and implement a Corrective Action Plan outlining the measures and actions to be taken to address the impacts and prevent recurrence, within a timeframe acceptable to the Bank.

Contractor's reporting:

Require contractors to submit an end-of-assignment E&S performance report upon the completion of activities financed under the insurance payouts to verify that implemented activities have not caused significant adverse impacts on the environment, communities, public safety, worker well-being, cultural heritage, or biodiversity, and to confirm no major incidents such as child or forced labor, displacement, SEA/SH, or disease outbreaks. The contractor's E&S performance report shall be included as an appendix to the E&S annual monitoring reports submitted to the Bank.

The ESF Consulting Firm shall develop a template for the contractor's E&S performance report as part of the LCP and Contractor's contract in Lao language and conduct training for the contractors, PIC, NDMC, and PDMC on its preparation and use.

3.7 Environmental & Social Post-Audit

In line with the ESCP and SEADRIFT's ESMS, the SEADRIF E&S Focal Point will arrange for an Environmental and Social Post-Audit to assess compliance with the SEADRIFT's ESMS, this LCP and ESCP following the completion of activities financed by an insurance payout. The audit may be triggered by the Commission or upon request by the World Bank in case of suspected non-compliance or based on risk.

The audit will be led by the SEADRIF E&S Focal Point and supported by the E&S staffs and the recruited E&S consulting firm. It will include:

- Verification that activities were compliant with the Exclusion List (**Annex 3**) and Risk Classification Guidance (**Annex 4**);
- Review of any complaints or issues raised through the GRM;
- Assessment of the adequacy and effectiveness of mitigation measures applied (e.g., ECOP, CoC, LMP);
- Evaluation of contractor E&S performance reports;
- Review of stakeholder engagement effectiveness.

Relevant agencies, contractors, and PDMCs must provide access to documents and sites as requested.

If non-compliance is found, an action plan must be agreed with the Bank and corrective measures implemented. No new insurance policies will be issued until identified issues are rectified to the Bank's satisfaction.

3.8 Stakeholder Engagement Plan (SEP) and Grievance Redress Mechanism (GRM)

3.8.1 Stakeholder Engagement

The Stakeholder Engagement Plan (SEP) under the Improved Access to Disaster Risk Finance Project (P505224) ensures inclusive, transparent, and continuous engagement with stakeholders across all phases of the project. It is a core component of the Environmental and Social Management Framework (ESMF), aligned with the Environmental and Social Commitment Plan (ESCP), and guided by the World Bank's Environmental and Social Standards, particularly ESS10 and ESS7. The SEP outlines clear communication methods and grievance mechanisms, with special attention to ethnic groups (in line with ESS7), women, LGBT individuals, people with disabilities (PWD), and rural and migrant workers—ensuring their meaningful participation, that their concerns are addressed, and that the use of SEADRIF

Stakeholder Identification and Analysis:

To align with the World Bank's ESS10 and ESS7, the Improved Access to Disaster Risk Finance Project (P505224) will apply the following stakeholder engagement principles:

- **Openness and life-cycle engagement:** Consultations will occur throughout the project cycle and be free from coercion or interference.
- **Informed participation:** Information will be shared in accessible formats, with opportunities for stakeholder feedback and response.
- **Inclusiveness and sensitivity:** Engagement will ensure participation of all stakeholders, with special attention to vulnerable and marginalized groups—such as ethnic communities (ESS7), women, persons with disabilities, the elderly, LGBT individuals, and migrant workers—using culturally appropriate and inclusive methods.

A detailed stakeholder analysis matrix of Lao PDR is provided in [Annex 5](#). Two categories of stakeholders have been identified, relevant to the Project, which include:

- **Project-Affected Parties:**
 - Ministry of Finance (MoF)
 - Ministry of Labor and Social Welfare (MoLSW)
 - Line ministries engaged in emergency response (e.g. Roads, Health, Education, Agriculture)
 - Provincial and District Disaster Management Committees (PDMC/DDMC)
 - Local authorities
 - Disaster-affected populations and communities (including ethnic groups, women, elderly, people with disabilities, and LGBTQ+ group)
- **Other Interested Parties:**
 - Civil Society Organizations (CSOs)
 - Lao Women's Union (LWU)
 - Lao Front for National Development (LFND)
 - Local media
 - Development partners
 - Academia (e.g. National University of Laos)

A public consultation meeting will be held on June 25, 2025, with focal points from the MoF, MoLSW, and other key line ministries and agencies involved in disaster management and response. The meeting will present the draft LCP which serves as the project's ESMF. The consultation will aim to inform stakeholders about the project, explain how the LCP will be used to screen, assess, manage, monitor, and report on E&S risks, and define the roles and responsibilities of implementing agencies. Feedback gathered during the consultation will be used to strengthen stakeholder engagement and will be integrated into the finalization of the LCP prior to project implementation.

The SEP, along with the LCP and ESCP, will be publicly disclosed on the Government of Lao PDR's official website and translated to Lao language.

Stakeholder Engagement Plan:

Engagement activities are designed to ensure inclusive, timely, and transparent communication with affected and interested stakeholders throughout the project. **Table 6** below outlines the key engagement activities, methods, target stakeholders, and responsible entities at each stage.

Table 6: Stakeholder Engagement Plan

| Project Stage | Estimated Timeframe | Topic of Consultation / Message | Method Used | Target Stakeholders | Responsible Entities |
|--------------------------------------------------------|-----------------------------------|-------------------------------------------------------------------------------------------------------------------|----------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------|
| 1. Pre-Disaster (Preparedness & Readiness) | Q2–Q3 2025 | Introduction to the project, ESF principles, LCP and ESCP overview, and E&S procedures | National stakeholder consultation meeting | MoF, MoLSW, NDMCs, Civil Society Organizations (CSOs) Lao Women's Union (LWU) Lao Front for National Development (LFND) Local media Development partners Academia (e.g. National University of Laos) | PMU (MoF), MoLSW, with E&S Consultant from WB |
| 2. Capacity Building (Annual Training) | 2025–2026 | Training on ESF, ECOP, CoC, GRM, and stakeholder engagement procedures | Training Workshops | MoF (DSI), MoLSW, NDMC Secretariat, E&S staffs | E&S Consulting Firm, with MoF and MoLSW support |
| 3. Emergency Response Implementation | Upon disaster trigger (2026–2027) | E&S screening, risk classification, community feedback, GRM activation, contractor obligations under ECOP and CoC | Field meetings, community briefings, dissemination | Contractors/suppliers, PDMCs, implementing agencies, affected communities, vulnerable and ethnic groups | PIC (MoF), E&S Consulting Firm, Implementing Entities |
| 4. Monitoring and Reporting (Biannual & Annual) | (2026–2027) | Feedback on project implementation, E&S compliance updates, GRM reports, and E&S audit findings | Monitoring visits, reports | PDMCs, DDMC, implementing entities, affected communities, vulnerable and ethnic groups | E&S Consulting Firm, SEADRIF E&S Focal Point |
| 5. Project Closure / Post- | Q4 2027 | Final results, sustainability | Final workshop, | Government agencies, development partners, | E&S Consulting |

| Project Stage | Estimated Timeframe | Topic of Consultation / Message | Method Used | Target Stakeholders | Responsible Entities |
|----------------|---------------------|---------------------------------------------|--------------------------|-------------------------------------------------|----------------------------------|
| Implementation | | plans, lessons learned, and audit reporting | dissemination of reports | NGOs, communities, and disaster-affected groups | Firm, with MoF and MoLSW support |

3.8.2 Grievances Redress Mechanism (GRM)

The objective of the Project's GRM is to provide affected parties/persons with redress procedures that they can conveniently use to raise a project related concern, or grievance. The GRM specifies how a project related complaint can be made, including forms and channels through which a complaint can be lodged.

To ensure accountability and transparency in the use of insurance payouts, a project-level **GRM** will be established and maintained the designated E&S staffs from MoF and MoLSW, with support from the E&S Consulting Firm. At the local level, PDMCs and DDMCs will assist in receiving and referring complaints. The Grievance redress information will also be provided in the Annual report to the provided to the World Bank as obligated under the ESCP.

Channel. Different channels are established to enable affected person to submit their grievances, including submission to village committee, as well as district and provincial levels. Grievance can also be submitted to:

- i. **PMU's email and WhatsApp** administered by PMU as GRM focal point (Table 4-3)
- ii. **GRM posters and boxes** established at contractor office and project affected villages (checked every 2 weeks);
- iii. **Electronic platform** (e.g. WhatsApp group consisting of all affected village chief, PMU and PIU ESS coordinators, CSC and contractor)
- iv. **PIU offices** at DPWT Office;
- v. **PMU, PIU, CSC staff** during meetings or during site visit (Table 4-3);
- vi. **Regular village meetings or consultation** to be regular carried out during construction phase.

A. Redress Procedure for General Complaints

The E&S staff at the MoLSW will take the following steps for general grievance or complaints (See Figure 1):

- 1) **Receive and Register Grievance:** *The E&S staff receives, records, and preliminarily reviews grievances related to insurance payout activities.*
- 2) **Acknowledge Grievance:** *The E&S staff formally acknowledges receipt and informs the complainant of the process.*
- 3) **Grievance Screening:** *Initial assessment and meeting with the complainant (in person or online) to gather more details and verify eligibility.*
- 4) **Grievance Investigating:** *The grievance is submitted to the CDMC Steering Committee for investigation and decision-making.*
- 5) **Grievance Response:** *The decision of the Steering Committee is communicated to the complainant.*

6) **6a. Successful Resolution**

If the complainant agrees with the decision, the grievance is considered resolved.

6b. Appeal

If it cannot be resolved by the decision of the Steering Committee, this issue will be reported and submitted to the Government and proposed to legal proceedings under relevant laws and regulations.

7) **Close Out:** *The grievance is officially closed after resolution or final legal action.*

Any of each step mentioned above may take different timeframe based on the complexity of an actual case.

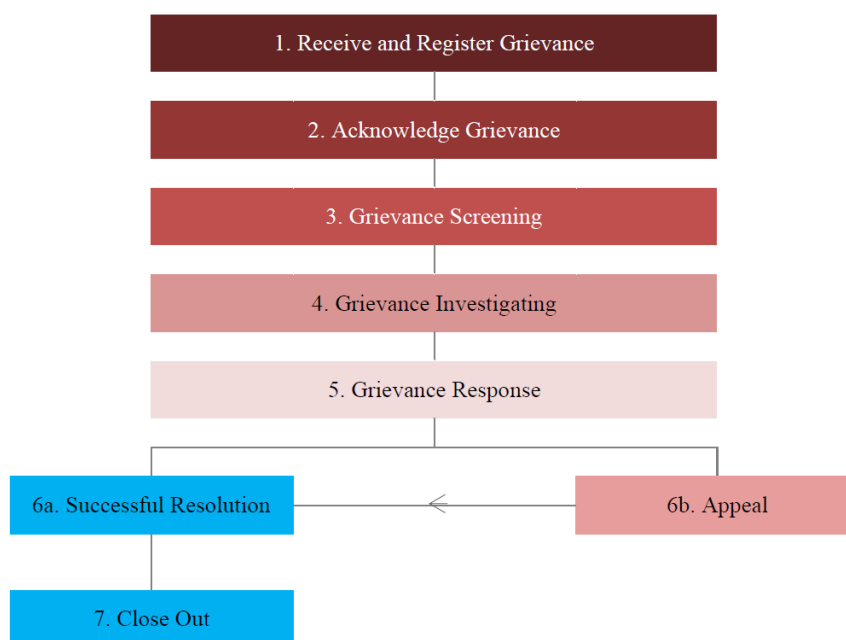


Figure 1 Grievance Redress Process

B. Redress Procedure for Complaints related to Land Acquisition/Economic Displacement

In case any complaints related to land acquisition could be resolved through the following Steps. However, as part the law in Lao PDR, the complainant retains the right to bypass this procedure by addressing their complaint directly to the PIC office or the national assembly.

- **Stage 1:** If PAP and PAH are not satisfied with the resettlement plan or its implementation, PAP and PAH can issue a verbal or written complaint to the established Village Committee or the DDMC. If it is a verbal complaint, the village should deal with this complaint and document the grievance immediately at the time. The VC/DDMC should resolve the complaint or grievance **within two weeks**;
- **Stage 2:** If the PAP and PAH are not satisfied with the result of Step 1, PAP and PAH can file an appeal with the PDMC after PAP and PAH receives the decision made in Step 1. The PDMC should make a decision within two weeks;
- **Stage 3:** If the PAP and PAH are not satisfied with the result of step 2, PAP and PAH can file an appeal with the PIC and NDMC for administrative arbitration after receiving the decision made by the PDMC. The PIU/NDMC should make the arbitrated decision within 10 days; and

- **Stage 4:** If the PAP and PAH are still unsatisfied with the arbitrated decision made by the NDMC, after receiving the arbitrated decision, PAP and PAH can file a lawsuit in a civil court according to the relevant laws and regulations of Lao PDR.

PAP and PAH can make a complaint or appeal on any and all aspects of project design and implementation, including issues related to resettlement. A hotline phone will be established with dedicated staff assigned to so that PAPs or complainants will not be charged for their phone calls used to raise their grievances and their complaints are responded in an efficient manner. PAP and PAH will be clearly informed of the complaint and grievance redress mechanism and appeal channels described herewith through village meetings and other channels. In addition, a complaint box should be made available in a convenient location of the village.

The Project and organizations addressing the PAP and PAH complaint and appeal process shall not charge fees. Any expenses incurred due to submission of complaints and/or appeals and phone calls should be classified as unexpected expenses and paid for by the Project.

C. Redress Procedure for Complaints related to labor and working conditions:

Project workers can lodge their grievance/complaint as follows:

- **Step 1 – Employer Level (Contractor):** Affected persons (APs) may submit grievances verbally or in writing (including anonymous complaints) to their employer, who serves as the first point of contact. Complaints must be resolved within 15 days. If resolved satisfactorily, the employer reports the case to the GM operator of Implementing Entity. If not, the case is referred to the PIC (E&S staff at MoSLW). Urgent health and safety concerns must be addressed immediately.
- **Step 2 – PIU/PMU Level:** If referred, PIC (E&S staff at MoSLW) must acknowledge receipt within 2 weeks and resolve the case within 30 days. If unresolved, the case is escalated to the **Court**. The AP is informed in writing at each stage.
- **Step 3 – Court or NDMC:** If still unresolved, an ad-hoc multi-stakeholder committee may be formed. If the grievance remains unresolved, the AP may take the case to court. Legal costs are borne by the AP, and the court's decision is final.

D. Redress Procedure for Complaints related to SEA/SH

Under this Project, GRM for SH/SEA mainly serves in: (i) referring the complainants to local Gender-Based Violence service provider; and (ii) recording resolution of the complaint. The following principles, which will be applied under the Project, recognize victim as principal decision makers in their own care, and treat them with agency, dignity and respect for their needs and wishes.

- Multiple channels are in place for easy access and lodge complaints.
- SH/SEA victims will be referred to local SEA/SH service provider for immediate support if they make a complaint directly to Implementing Entity/PIC (E&S staff).
- Confidentiality of victims is protected. GM operator of Implementing Entity/PIC (E&S staff at MoSLW) will keep SH/SEA allegation report confidential.
- No identifiable information on the victim shall be collected and stored in subproject Grievance Logbook.

- Costs of operating the SH/SEA GRM will be financed by the subproject.

Channels for lodging SH/SEA complaints:

- Channel 1 – AP can submit a complaint, verbally or in writing, to Village Mediation Committee/Village Authorities
- Channel 2 – Alternatively, AP can lodge their complaint, verbally or in writing, to GRM E&S staff at MoSLW.
- Channel 3 – AP can submit a complaint to, or seek counselling support from local Lao Women's Union, as they wish.

All SH/SEA related grievance (no matter which channel through which their complaint is lodged) will be processed and resolved directly by Lao Women Union (LWU) who will be engaged by PMU to assist in addressing potential grievances on SEA/SH.

The Project, and organizations resolving AP complaint, and appeal process, will not charge any fees to affected people. Any expenses incurred due to submission of complaints and/or appeals and phone calls should be classified as unexpected expenses and covered by the Project.

3.9 LCP Implementation Budget

To support the implementation of the LCP and ensure alignment with the ESCP and World Bank ESF, a two-year budget has been developed. **Table 7** outlines the key cost categories—consultancy, training, and operating expenses—required to deliver technical support, capacity building, and stakeholder engagement. The total estimated budget is **USD 200,000**.

Table 7: LCP Implementation Budget

| A. Consultancy | | | | |
|---------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------|----------------------------|----------------------|
| Proc. No. | Description/Activities | Budget (USD) (1st year) | Budget (USD) (2nd year) | Proc. method |
| C001 | E&S Consulting Firm to support the implementation and ES audit of Country Pay Out. Include ESF Trainers | \$ 70,000.00 | \$ 70,000.00 | NC |
| Sub - total | | \$ 70,000.00 | \$ 70,000.00 | \$ 140,000.00 |
| B. Training and Workshop | | | | |
| Proc. No. | Description/Activities | Budget (USD) (1st year) | Budget (USD) (2nd year) | Proc. method |
| TW001 | Workshop on the Environmental and Social Framework for VTE capital (Total participants: 50 people, 2 days workshops) - 1 time per year | \$ 8,000.00 | \$ 8,000.00 | C3 |
| TW002 | Trainings on the Environmental and Social Framework at the provinces (Total participants: 50 people, 2 day workshops) 2 times per year | \$ 16,000.00 | \$ 16,000.00 | C3 |
| Sub - total | | \$ 24,000.00 | \$ 24,000.00 | \$ 48,000.00 |
| C. Operating Cost | | | | |
| Proc. No. | Description/Activities | Budget (USD) (1st year) | Budget (USD) (2nd year) | Proc. method |
| OC-001 | Operating cost | \$ 6,000.00 | \$ 6,000.00 | C3 |
| Sub - total | | \$ 6,000.00 | \$ 6,000.00 | \$ 12,000.00 |
| Total | | | | \$ 200,000.00 |

Annex 1: Outline of Payout Expenditure Report

1. Background Information

| | |
|---------------------------------------------------------------------|------|
| Country | |
| Institution | |
| Report Author | |
| Report Author's Title | |
| Type of disaster | |
| Event Date | |
| Insurance Payout Date | |
| Report Date (<i>Within nine months after insurance payout</i>) | |
| Amount of Insurance Payout | US\$ |
| Amount Used to Date | US\$ |
| Remaining Balance to Date | US\$ |

2. Event Description

Provide an overview of a disaster causing an insurance payout, including a name and intensity of the disaster, date/time of the event occurrence and evolution, and affected areas.

3. Impacts of the Event

Describe acknowledged losses, damage and impacts as a result of the event. The section will include quantitative and qualitative descriptions including confirmed number of fatalities, injuries, buildings damaged or destroyed, and an estimated people in evacuation centers, and damage to infrastructure and industries².

4. Insurance Payout

Describe the amount of payout and date when the government received it. Refer to the account that received the insurance payout and the proportion of the payout in respect to the other emergency budget and reserves if available.

5. Activities and Expenditures

Describe activities and expenditures based on the insurance payouts with targeted beneficiaries (qualitative and quantitative description), how cash/goods will move to the targeted beneficiaries, and timeline of key activities. It should be noted that the described expenditures might be based on not only the insurance payout but various emergency financing sources. Therefore, described total expenditures may not be equivalent to the amount of the insurance payout. A template of the breakdown of expenditures is below.

Table 1: Summary of Activities

² It should be noted that any insurance payout basically depends on the post event loss calculation (PELC) protocol, which calculates modeled mean loss estimates for impacted countries based on the catastrophe loss models developed by AIR Worldwide Corporation (AIR). It should also be noted that the reported government estimates can differ from modeled mean loss values due to many factors including multiple sources of uncertainty, differing definitions, methodologies, and sectors covered in the assessments.

| Activities | Targeted Beneficiaries | Cost (US\$) |
|------------|------------------------|-------------|
| | | |
| | | |
| | | |

Table 2: Summary of Expenditures from SEADRIF insurance payout

| Expenditure items | Expenditure (US\$) |
|-------------------|--------------------|
| | |
| | |
| | |
| | |
| | |
| | |
| Total* | |

Annex 2: Chapter VII of the UN Charter

Article 39

The Security Council shall determine the existence of any threat to the peace, breach of the peace, or act of aggression and shall make recommendations, or decide what measures shall be taken in accordance with Articles 41 and 42, to maintain or restore international peace and security.

Article 40

In order to prevent an aggravation of the situation, the Security Council may, before making the recommendations or deciding upon the measures provided for in Article 39, call upon the parties concerned to comply with such provisional measures as it deems necessary or desirable. Such provisional measures shall be without prejudice to the rights, claims, or position of the parties concerned. The Security Council shall duly take account of failure to comply with such provisional measures.

Article 41

The Security Council may decide what measures not involving the use of armed force are to be employed to give effect to its decisions, and it may call upon the Members of the United Nations to apply such measures. These may include complete or partial interruption of economic relations and of rail, sea, air, postal, telegraphic, radio, and other means of communication, and the severance of diplomatic relations.

Article 42

Should the Security Council consider that measures provided for in Article 41 would be inadequate or have proved to be inadequate, it may take such action by air, sea, or land forces as may be necessary to maintain or restore international peace and security. Such action may include demonstrations, blockade, and other operations by air, sea, or land forces of Members of the United Nations.

Annex 3: Exclusion List

This exclusion list includes activities that could pose substantial or high environmental and social risks and impacts, consistent with the World Bank's Environmental and Social Framework (ESF) and other activities and expenditures as listed below. It is the responsibility of Lao PDR MOF to apply this Exclusion List to screen for an eligible subproject to be financed by the insurance payout, and relevant mitigation measures and the national laws and regulations to manage the E&S risk and impact could be induced from the activities funded by the payout. Unless agreed by the World Bank, the following types of activities or expenditures are considered as ineligible and shall be excluded from being funded by the insurance payouts:

- Alcoholic beverages.
- Tobacco products.
- Luxury items.
- Military goods.
- Radioactive materials and nuclear reactors³.
- Environmentally hazardous goods⁴.
- Payments prohibited by UN Security Council decisions under Chapter VII of the UN Charter.
- Any activity that can adversely cause substantial or high environmental and social risk considering the WB's Environmental and Social Framework and/or national environmental, social, health and safety laws and regulations.

For example:

- Any activity with associated facilities that are substantial or high risk under the ESF;
- New greenfield construction or construction of facilities within legally protected nature reserves, critical natural habitat, scenic areas or cultural heritage sites;
- Any activity that can adversely cause substantial or high environmental and social risk in the areas comprising natural habitats;
- Any activity involving resettlement that can adversely cause substantial or high environmental and social risk;
- Any activity that can adversely cause substantial or high risks or impacts on Indigenous Peoples; and Any activity that can adversely cause substantial or high environmental and social risk to cultural property, including sites having archaeological (prehistoric), paleontological, historical, religious, cultural and unique natural values.
- Expenditures with respect to which corrupt, fraudulent, collusive or coercive practices were engaged in by representatives of the beneficiary country or other recipient of the insurance payout proceeds, without the beneficiary country (or other such recipient) having taken timely and appropriate action satisfactory to the Sub-trust A committee to address such practices when they occur.

³ This does not apply to the purchase of medical equipment, quality control (measurement) equipment and any equipment where the radioactive source is trivial and/or adequately shielded.

⁴ Environmentally hazardous goods are deemed to be those that are illegal under host country laws or regulations or international conventions and agreements, or subject to international bans, such as pharmaceuticals, pesticides/herbicides, ozone depleting substances and polychlorinated biphenyls (PCBs).

Annex 4: Risk Classification Requirements in the Environmental & Social Directive on Investment Project Financing

| Risk Criteria | | | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Project type, location, sensitivity, scale | Nature & magnitude of ES risks & impacts, available mitigation | Implementing Agency's capacity and commitment | Context risk relevant to ES measures |
| <ul style="list-style-type: none"> • physical considerations ; • type of infrastructure (e.g., dams & reservoirs, power plants, airports, roads); • volume of hazardous waste and disposal; | <ul style="list-style-type: none"> • impacts on greenfield sites⁵; • impacts on brownfield sites (e.g., rehab, maintenance or upgrading); • nature of potential risks and impacts (e.g. irreversible, unprecedented or complex); • resettlement activities; • Indigenous Peoples presence; • <u>possible mitigation measures considering the mitigation hierarchy</u>; | <ul style="list-style-type: none"> • <u>capacity to manage risks and impacts consistent with the ESSs</u>; • country policy, legal and institutional framework; • laws, regulations, rules and procedures applicable to the Project sector; • regional and local requirements; • technical and institutional capacity; • <u>track record of past Project implementation</u>; • financial and human resources available; | <ul style="list-style-type: none"> • <u>other areas of risk relevant to the delivery of ES mitigation measures and outcomes</u> • depending on the specific Project and the context in which it is being developed, • including the nature of the mitigation and technology being proposed, • considerations relating to domestic and/or regional stability, conflict or security. |

⁵ Greenfield activities refer to the construction of new assets (installations, plants, buildings and other facilities) on land on which no urban or industrial development has previously taken place and where there was no need to demolish or rebuild any existing structures. Brownfield activities refer to activities on land within the urban or industrial development area such as modernization, upgrading, improvement or rehabilitation of existing assets (installations, plants, buildings and other facilities). Supplementary, brownfield activities may also refer to the construction of new assets that will directly replace the existing.

In the Exclusion List, SEADRIF will not use the payout for restoring contaminated site or any brownfield site (e.g. a flood- damaged landfill) as this payout can come with potential environmental cleanup liability. Furthermore, SEADRIF will not use the payout for any new greenfield construction or any construction of new building or new facility.

| High Risk Classification | | | |
|--------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> • complex • large to very large scale • in sensitive location(s) | <ul style="list-style-type: none"> • wide range of significant adverse risks and impacts • long term, permanent and/or irreversible, impossible to avoid entirely • <u>some cannot be mitigated or require complex, unproven mitigation, sophisticated social analysis</u> • high in magnitude and/or in spatial extent (large to very large area or population); • significant adverse cumulative or transboundary impacts; • high probability of serious adverse effects to human health and/or the environment • high value and sensitivity (e.g. protected and internationally recognized areas) • high value, sensitive lands or rights of Indigenous Peoples and other vulnerable minorities • Intensive or complex involuntary resettlement or land acquisition • Impacts on cultural heritage or densely populated urban areas • may give rise to significant social conflict, harm or human security risks • a history of unrest in area or sector, concerns about use of security forces | <ul style="list-style-type: none"> • uncertain, conflicting agency jurisdiction • legislation, regulations not addressing risks and impacts • changes to applicable legislation are being made • enforcement is weak • limited past experience of implementing agencies • challenges and concerns about track record regarding ES issues • significant stakeholder engagement capacity, commitment, track record concerns | <ul style="list-style-type: none"> • factors outside project control impacting ES performance and outcomes |

| Substantial Risk Classification | | | |
|--------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| <ul style="list-style-type: none"> • not as complex • Large to medium scale • not such sensitive location | <ul style="list-style-type: none"> • some significant risks and impacts • mostly temporary, predictable and/or reversible • possibility of avoiding or reversing but with substantial investment and time • may give rise to limited degree of social conflict, harm, human security risk; • medium in magnitude and/or in spatial extent (medium to large area and population) • less severe, more readily avoided/mitigated cumulative and/or transboundary impacts • medium to low probability of serious adverse effects to human health and/or the environment (with known and reliable mechanisms to prevent or minimize) • lower effects on areas of high value or sensitivity • <u>more readily available and reliable mitigatory and/or compensatory measures</u> | <ul style="list-style-type: none"> • uncertain, conflicting agency jurisdiction • legislation, regulations not addressing risks and impacts • changes to applicable legislation are being made • enforcement is weak • in some respects, limited experience of implementing agencies • some concerns about track record regarding ES issues readily addressed • some stakeholder engagement concerns readily addressed | |

| Moderate Risk Classification | | | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|--|
| <ul style="list-style-type: none"> • no activities with high potential for harming people or environment • located away from sensitive areas | <ul style="list-style-type: none"> • risks and impacts not likely to be significant • not complex and/or large • predictable and expected to be temporary and/or reversible; • low in magnitude; • site-specific, without likelihood of impacts beyond the project footprint; • low probability of serious adverse effects to human health and/or the environment • Routine safety precautions are expected to be sufficient to prevent accidents • <u>easily mitigated in a predictable manner</u> | | |
| Low Risk Classification | | | |
| | <ul style="list-style-type: none"> • Minimal or negligible risks to and impacts on human populations and/or the environment • few or no adverse risks and impacts and issues • <u>No further assessment after screening</u> | | |

Source: The World Bank

Annex 5: Matrix of Stakeholder Analysis

| SN | Stakeholder Group | Key Characteristics | Nature & Extent of Interest | Nature & Extent of Influence | Potential Role in the Programme | Proposed Strategies Related to the Group |
|----|---------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|----------------------------------------------|-----------------------------------------------------------|
| | Project Affected Parties | | | | | |
| 1 | Ministry of Finance of Lao PDR | The Ministry of Finance of Lao PDR is a ministry of the Government of Lao PDR responsible for financial sector management, public budget planning, and administration of other relevant fields such as tax, revenue department, and national finance system. | Ministry of Finance of Lao PDR's main interest in relation to the development and operation of SEADRIF is contributing to the regional catastrophe risk insurance pool and receiving insurance payouts in the event a natural disaster occurs within Lao PDR. | Utilization of insurance payouts. | SEADRIF beneficiary country. | Request for comments through email or in-person meeting |
| | Project Interested Parties | | | | | |
| 2 | Communities | Community residents who can be affected by a natural disaster happened in a beneficiary country. | The development and operation of SEADRIF could support the community rescue works during and after a natural disaster happened in beneficiary countries and provide financial liquidity to support affected communities with recovery and redevelopment of the community and their livelihood. | Not applicable. | Final beneficiaries of the insurance payouts | Information disclosure on the official website of SEADRIF |
| 3 | Central Disaster Management Committee | Departments or authorities established under the governments of the beneficiary countries for the | CDMC's Main interests in relation to the development and operation of SEADRIF is to be responsible for | Not applicable. | CDMC for organizing emergency | Information disclosure on the official website of |

| SN | Stakeholder Group | Key Characteristics | Nature & Extent of Interest | Nature & Extent of Influence | Potential Role in the Programme | Proposed Strategies Related to the Group |
|----|-----------------------------|----------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------|-----------------------------------------------------|-------------------------------------------------------------------|
| | (CDMC) | management of emergencies during a natural disaster and leading the post- disaster recovery and redevelopment. | the rescue, recovery and redevelopment related activities using the insurance payouts provided by SEADRIF. | | response during and after natural disasters. | SEADRIF, and request for comments through email |
| | Civil Society Organizations | Opinion leaders of the local society; facilitator of natural disaster response in the Member States. | Civil Society Organizations' main interests to the development and operation of SEADRIF are to support the rescue, recovery and redevelopment related activities using the insurance payouts provided by SEADRIF. | Provide voice for parties that the organization is representing or advocating. | Third-party influencer to the operation of SEADRIF. | Information disclosure on the official website of MOF and SEADRIF |
| 4 | Media | Opinion leaders of the local society | The media may express their opinion on the provision of insurance payouts | Provide a voice for parties that the organization is representing or advocating. | Third-party influencer to the operation of SEADRIF | Information disclosure on the official website of MOF and SEADRIF |

Annex 6: Environmental Code of Practice (ECOP) for Eligible Post-disaster Relief and Emergency Aid Activities

| | |
|----------------------------------|--|
| Activity Name: | |
| Location: | |
| Implementing Entity: | |
| Contractor/Supplier Name: | |
| Contractor Duration: | |

A. Introduction

This document outlines the **Environmental Code of Practice (ECOP)** for the **Lao PDR Improved Access to Disaster Risk Finance Project (P505224)**. It provides procedures that the Ministry of Finance (MOF), Ministry of Labor and Social Welfare (MoLSW), and relevant implementing agencies will follow to address environmental and social (E&S) risks and impacts that may arise from **eligible post-disaster emergency and relief activities** financed through **SEADRIF insurance payouts**.

This ECOP has been developed in alignment with:

- **Lao PDR national laws and regulations;**
- **The World Bank Environmental and Social Framework (ESF);**
- **Relevant international good practices;**
- **The project's Environmental and Social Commitment Plan (ESCP);**
- **The Exclusion List (Annex 3) and the Risk Classification Framework (Annex 4).**

This ECOP will be implemented by contractors engaged to carry out eligible post-disaster relief and emergency aid activities funded by SEADRIF insurance payouts. The Ministry of Finance (MoF), supported by technical assistance from the E&S Consulting Firm, will oversee the ECOP implementation, including providing necessary training, conducting regular monitoring, and ensuring timely and accurate reporting on compliance and performance.

B. Objective

This ECOP provides practical guidance to mitigate environmental and social (E&S) risks during post-disaster emergency and relief activities funded by SEADRIF insurance payouts. It ensures activities involving infrastructure repairs, health services, water and sanitation, food distribution, shelter, logistics, and protection of vulnerable groups are conducted rapidly, responsibly, and inclusively, managing low to moderate E&S risks effectively.

C. Brief Description of Emergency and Relief Activities Under the Project

For this Project, the SEADRIF insurance payouts enable Lao PDR to implement post-disaster emergency response and livelihood protection activities, including:

- **Water and Sanitation** - Provision of safe water, sanitation and hygienic services and goods; Wastewater and solid waste disposal; Health workers and experts to support good sanitation and hygiene practices.
- **Health** – Deployment of health professionals and services in affected areas to reduce morbidity and preventable mortality; Disease surveillance; Disease prevention and control; Emergency

coordination of health action; Health information management; provision of medical supplies and equipment.

- **Shelter** - Provision of emergency shelter to affected population; Ensuring safe shelter and relief for women, children and people with disabilities; support to aid supplies to the affected population (e.g., food, water, shelter, blankets, mattresses, medicines).
- **Logistics** - Securing transportation and access needed for sending life-saving operation and immediately needed key relief items.
- **Emergency telecommunication** - Provision of emergency telecommunications; Quick recovery of telecommunication systems.
- **Food & Nutrition** - Provision of food relief in affected areas; Provision of nutritional care for infants, children and breastfeeding mothers.
- **Education & Child Protection** - Rehabilitation of damaged schools; Deployment of educators and dispatch of essential learning packages, recreational items, and early childhood development kits; Provision of immediate protection of children and women from violence, abuse and exploitation in affected areas, particularly unaccompanied and separated children, through family tracing and reunification, establishment of safe environments (child friendly spaces), community-based psychosocial care and support, and the prevention of sexual abuse and exploitation

All eligible activities will be screened to ensure they are consistent with **moderate or low risk** thresholds under the Risk Classification Framework (**Annex 4**) and do not fall within the **Exclusion List (Annex 3)**.

These activities are expected to be **small in scale** and **temporary in duration**, with limited physical footprint and minimal construction. As such, the anticipated E&S risks are expected to be **low to moderate**.

D. Environmental Code of Practice (ECOP)

1) ECOP 1 - Assessment and Management of E&S Risks and Impacts (ESS1)

| ECOP 1 - Assessment and Management of E&S Risks and Impacts (ESS1) <i>Please mark "R" for Relevant; "N" for "Not Relevant"; and "NA" for "Not applicable" in the " □ "</i> | | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|
| Potential Risks & Impacts | Mitigation Measures | Comments or Justification |
| <input type="checkbox"/> Lack resources and unclear roles and responsibility to manage, monitor and report on E&S Risks and impacts | <input type="checkbox"/> Maintain one qualified Environmental and Social (E&S) staff and resources at the existing PIC established under the DSI of MOF and the Department of Labor and Social (DLSW) of MOLSW to support management of environmental, social, health and safety risks and impacts of activities funded under the insurance payouts. <input type="checkbox"/> Ensure that the contractor(s) and/or suppliers, to be engaged to implement Eligible Post-disaster Relief and Emergency Aid Activities, assign one qualified E&S staff to ensure that the activities funded under the insurance are fully compliant with the E&S measures/requirement identified in the LCP. | |

| ECOP 1 - Assessment and Management of E&S Risks and Impacts (ESS1) <i>Please mark "R" for Relevant; "N" for "Not Relevant"; and "NA" for "Not applicable" in the "□"</i> | | |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|
| Potential Risks & Impacts | Mitigation Measures | Comments or Justification |
| | <input type="checkbox"/> Recruit a qualified E&S Consulting Firm to support the implementation of E&S measures agreed in this ESCP and LCP and ensure that activities funded under the insurance payouts are fully compliance with ESS requirements. | |
| <input type="checkbox"/> Gaps in coordination between implementing agencies (MoF, MoLSW) and local authorities on E&S compliance. <input type="checkbox"/> Insufficient capacity among contractors and local agencies to apply World Bank ESF requirements. | <input type="checkbox"/> Ensure clear institutional arrangements and responsibilities for E&S screening, implementation, and oversight are maintained across agencies. <input type="checkbox"/> Provide targeted training and capacity building for MOF, MoLSW, and contractors on E&S risk management, monitoring and reporting and World Bank ESS requirements. <input type="checkbox"/> Conduct regular ESS monitoring and reporting including grievances and ESS related incidents and accidents using standardized templates in <u>Annex 11</u> . | |
| <input type="checkbox"/> Inadequate identification of E&S risks due to the urgency and rapid implementation of post-disaster response activities. <input type="checkbox"/> Inconsistent application of environmental and social screening tools (Exclusion List and Risk Classification Framework) leading to misclassification of activities. | <input type="checkbox"/> Apply the Exclusion List (<u>Annex 3</u>) and Risk Classification Framework (<u>Annex 4</u>) to screen all post-disaster activities prior to implementation <input type="checkbox"/> Ensure only low to moderate risk activities are supported under SEADRIF payouts, as per the ESCP and this LCP. | |
| <input type="checkbox"/> Limited integration of E&S mitigation into procurement, contracting, and implementation processes. | <input type="checkbox"/> Integrate relevant Environmental Codes of Practice (ECOP), Code of Conduct on SEA/SH and VAC (COC) and mitigation measures, specified in the ESCP and this LCP, into contractor terms of reference and contracts. | |
| <input type="checkbox"/> Weak E&S monitoring and documentation during short-term emergency activities. | <input type="checkbox"/> Notify ESS related incidents and accidents to the WB within 48 hours. <input type="checkbox"/> Document E&S performance of each activity through end-of-activity reports; conduct E&S audits where required. | |

2) ECOP2 - Labor and Working Conditions (ESS2)

| ECOP2 - Labor and Working Conditions (ESS2) | | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|
| Please mark "R" for Relevant; "N" for "Not Relevant"; and "NA" for "Not applicable" in the "☐" | | |
| Potential Risks & Impacts | Mitigation Measures | Comments or Justification |
| <input type="checkbox"/> Unsafe and unhealthy working conditions. | Worker Camp Management and Working Conditions: <input type="checkbox"/> Obtain prior site approval and avoid environmentally, socially, or culturally sensitive locations. <input type="checkbox"/> Ensure camps are secure and fenced, with controlled access to protect worker safety and community wellbeing. <input type="checkbox"/> Provide safe, dignified, and adequate accommodations with sufficient space, lighting, ventilation, drainage, and pest control. <input type="checkbox"/> Install gender-segregated toilets and bathing areas; ensure wastewater is treated and disposed of safely, away from water bodies and aquifers. <input type="checkbox"/> Ensure the availability of clean drinking water, functional first aid kits, fire safety equipment, covered waste bins, mosquito nets, and emergency contact information. <input type="checkbox"/> Camps must offer appropriate rest areas, shaded outdoor space, and recreational facilities where possible to support physical and mental well-being.. <input type="checkbox"/> Ensure working conditions include regulated work hours, regular breaks, and safe conditions aligned with national labor laws and international standards. <input type="checkbox"/> Provide access to medical care, health insurance (where applicable), and psychosocial support services, particularly in high-stress emergency response settings. <input type="checkbox"/> Post information about worker rights, camp rules, grievance procedures, and emergency contacts clearly in local languages and accessible formats. | |
| <input type="checkbox"/> Inconsistent employment terms with national laws or WB standards. <input type="checkbox"/> Discrimination and unequal opportunity in the workplace. <input type="checkbox"/> Use of child or forced labor. <input type="checkbox"/> Others _____ | Labour Management: <input type="checkbox"/> Ensure compliance with national labor laws, applicable Codes of Conduct, and IFC standards for worker accommodation. <input type="checkbox"/> Ensure fair, non-discriminatory employment with written contracts, fair wages, and safe conditions. <input type="checkbox"/> Prohibit discrimination, harassment in the workplace. child labor (minimum age 18) and forced labor; verify worker ages and voluntary employment. <input type="checkbox"/> Avoid informal or casual labor arrangements; all | |

| ECOP2 - Labor and Working Conditions (ESS2) | | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|
| Please mark "R" for Relevant; "N" for "Not Relevant"; and "NA" for "Not applicable" in the "☐" | | |
| Potential Risks & Impacts | Mitigation Measures | Comments or Justification |
| | <p>workers (including community and temporary) must have written contracts with fair terms, wages, benefits, and working hours.</p> <p><input type="checkbox"/> Prioritize hiring locally wherever possible and ensure equal opportunity in recruitment and job assignments.</p> <p><input type="checkbox"/> Provide all workers with a Code of Conduct (CoC) covering behavior, ethics, and SEA/SH prevention (Annex 7).</p> <p><input type="checkbox"/> Establish a confidential, accessible grievance mechanism for workers, including SEA/SH-related complaints, with protection from retaliation.</p> <p><input type="checkbox"/> Promote mental health and psychosocial support for workers involved in prolonged or high-stress operations.</p> <p><input type="checkbox"/> Others _____</p> | |
| <p><input type="checkbox"/> Risk of workplace injuries and accidents.</p> <p><input type="checkbox"/> Exposure to hazardous substances (e.g., dust, cement, chemicals).</p> <p><input type="checkbox"/> Risk of SEA/SH involving workers.</p> <p><input type="checkbox"/> Risk of SEA/SH toward community members by non-local workers.</p> <p><input type="checkbox"/> Tension or conflict between workers and local communities.</p> <p><input type="checkbox"/> COVID-19 transmission risks at work or accommodation sites, especially with non-local labor and inadequate health measures</p> <p><input type="checkbox"/> Others _____</p> | <p>Occupational Health and Safety (OHS):</p> <p><input type="checkbox"/> Comply with ILO and World Bank Group EHS Guidelines for workplace safety.</p> <p><input type="checkbox"/> Identify and mitigate risks from hazardous tasks (e.g., debris removal, medical response, hazardous material handling).</p> <p><input type="checkbox"/> Provide and enforce the use of job-appropriate PPE (helmets, gloves, masks, boots, goggles, etc.), maintained and replaced as needed.</p> <p><input type="checkbox"/> Conduct OHS training and daily safety briefings for all workers, including on SEA/SH prevention and emergency protocols.</p> <p><input type="checkbox"/> Appoint a qualified Environment, Health, and Safety (EHS) officer responsible for overseeing site safety and incident response.</p> <p><input type="checkbox"/> Monitor and report workplace incidents, injuries, and near-misses; maintain safety records and conduct root cause investigations.</p> <p><input type="checkbox"/> Enforce communicable disease prevention measures, including COVID-19 protocols (hygiene, distancing, isolation, and health screening).</p> <p><input type="checkbox"/> In case of a COVID-19 outbreak, the contractor must follow government and WHO guidelines. Additional guidance from the WBG COVID-19 Advisory Note (March 16, 2020). If there is any conflict, government or WHO guidelines take precedence.</p> <p><input type="checkbox"/> Provide safe rest areas and mandatory rest hours to</p> | |

| ECOP2 - Labor and Working Conditions (ESS2) | | |
|--------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------|---------------------------|
| Please mark “R” for Relevant; “N” for “Not Relevant”; and “NA” for “Not applicable” in the “ □ ” | | |
| Potential Risks & Impacts | Mitigation Measures | Comments or Justification |
| | prevent worker fatigue and burnout. <input type="checkbox"/> Others _____ | |

3) ECOP3 - Resource Efficiency and Pollution Prevention (ESS3)

| ECOP3 - Resource Efficiency and Pollution Prevention (ESS3) | | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|
| Please mark “R” for Relevant; “N” for “Not Relevant”; and “NA” for “Not applicable” in the “ □ ” | | |
| Potential Risks & Impacts | Mitigation Measures | Comments or Justification |
| <input type="checkbox"/> Soil and water contamination from untreated wastewater and poor sanitation practices. <input type="checkbox"/> Solid waste mismanagement, leading to environmental pollution. <input type="checkbox"/> Medical and pharmaceutical waste mishandling, posing health and environmental risks. <input type="checkbox"/> Biohazards from improper disposal of infectious waste. <input type="checkbox"/> Waste buildup from packaging and debris during relief and shelter activities. <input type="checkbox"/> Unsustainable material use due to emergency procurement. <input type="checkbox"/> Air emissions and GHGs from increased vehicle use for logistics. <input type="checkbox"/> Spills and leaks of fuel or hazardous goods during transport. <input type="checkbox"/> Electronic waste generation from damaged telecom equipment. <input type="checkbox"/> Unsafe disposal of batteries and electronic components. <input type="checkbox"/> Food waste and associated pollution from spoilage or poor handling. <input type="checkbox"/> Packaging waste, especially non-biodegradable materials. <input type="checkbox"/> Construction debris from school rehabilitation. <input type="checkbox"/> Exposure to hazardous substances (e.g., solvents, paints) during minor civil works. | <input type="checkbox"/> Comply with national laws and regulations on waste and pollution control. <input type="checkbox"/> Implement the 3R (Reduce, Reuse, Recycle) approach to minimize waste generation. <input type="checkbox"/> Segregate waste into clearly labeled bins: general, recyclable, compostable, hazardous, and e-waste. <input type="checkbox"/> Store hazardous materials at least 100 m from water bodies and flood-prone areas; clearly label with Material Safety Data Sheets (MSDS), provide PPE and spill kits, use bunded areas with impervious flooring, prevent contaminated discharge, and maintain emergency response procedures. <input type="checkbox"/> Dispose of all waste through licensed service providers; prohibit open dumping and burning. <input type="checkbox"/> Ensure hazardous and e-waste storage areas have impervious floors and roofs to avoid contamination. <input type="checkbox"/> Conduct regular training on proper waste management practices during environmental inductions. <input type="checkbox"/> Request suppliers to minimize packaging wherever feasible. <input type="checkbox"/> Maintain high standards of housekeeping across project sites, ensuring cleanliness and safety. <input type="checkbox"/> Regularly inspect and maintain sediment controls and repair damaged roads promptly. <input type="checkbox"/> Strictly prohibit littering and untreated wastewater discharge; regularly monitor effluent, maintain cleanliness, and promptly manage oil spills at campsites. <input type="checkbox"/> Implement emergency response procedure; Record and report all incidents and | |

| ECOP3 - Resource Efficiency and Pollution Prevention (ESS3) | | |
|------------------------------------------------------------------------------------------------|-----------------------------------------------------|---------------------------|
| Please mark "R" for Relevant; "N" for "Not Relevant"; and "NA" for "Not applicable" in the "☐" | | |
| Potential Risks & Impacts | Mitigation Measures | Comments or Justification |
| <input type="checkbox"/> Others _____ | accidents. <input type="checkbox"/> Others _____ | |

4) ECOP4 - Community Health and Safety (ESS4)

| ECOP4 - Community Health and Safety (ESS4) | | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|
| Please mark "R" for Relevant; "N" for "Not Relevant"; and "NA" for "Not applicable" in the "☐" | | |
| Potential Risks & Impacts | Mitigation Measures | Comments or Justification |
| <input type="checkbox"/> Disease outbreaks from poor hygiene and contaminated water <input type="checkbox"/> Improper placement of sanitation facilities near homes or water sources <input type="checkbox"/> Spread of infectious diseases during emergency health response <input type="checkbox"/> Community exposure to hazardous medical waste if not safely handled <input type="checkbox"/> GBV, SEA/SH, and disease risks in overcrowded emergency shelters <input type="checkbox"/> Fire and injury hazards from poorly built or unsafe structures <input type="checkbox"/> Road accidents from increased movement of aid vehicles <input type="checkbox"/> Risks from unsafe, overloaded, or poorly maintained transport <input type="checkbox"/> Safety risks from unstable or exposed temporary installations <input type="checkbox"/> Confusion or panic due to uncoordinated emergency messaging <input type="checkbox"/> Illness from spoiled or contaminated food aid <input type="checkbox"/> Social tensions due to unfair or chaotic food distribution <input type="checkbox"/> Injuries in unsafe, temporary learning environments <input type="checkbox"/> Increased child vulnerability to abuse, neglect, or exploitation <input type="checkbox"/> Others _____ | Community Engagement, Health & Safety: <input type="checkbox"/> Engage and inform local communities early, sharing project objectives, timelines, and safety measures in accessible formats. <input type="checkbox"/> Clearly mark and secure all hazardous areas with visible warning signs and barriers; restrict public access to work zones. <input type="checkbox"/> Locate sanitation facilities safely away from homes and water sources to prevent contamination. <input type="checkbox"/> Coordinate with health authorities to prevent disease transmission; ensure hygiene supplies are available at key points. <input type="checkbox"/> Promote community awareness of traffic and construction risks, including campaigns on GBV, SEA/SH, and emergency health practices. <input type="checkbox"/> Ensure child-friendly and women-safe environments in temporary shelters and learning spaces; post zero-tolerance SEA/SH signage and provide accessible grievance channels. <input type="checkbox"/> Manage emergency communications clearly to prevent misinformation or panic. <input type="checkbox"/> Record and report all incidents, accidents, or community complaints within required timelines. Traffic Management: <input type="checkbox"/> Conduct pre- and post-construction road assessments; repair damages promptly. <input type="checkbox"/> Schedule heavy traffic outside peak hours; enforce local speed limits (30 km/h); provide driver training and maintain logs. <input type="checkbox"/> Minimize dust by regular watering (3-5 times/day), washing/cleaning roads, covering truckloads to prevent debris, and maintaining vehicles. | |

| ECOP4 - Community Health and Safety (ESS4) | | |
|------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|
| Please mark "R" for Relevant; "N" for "Not Relevant"; and "NA" for "Not applicable" in the "☐" | | |
| Potential Risks & Impacts | Mitigation Measures | Comments or Justification |
| | <input type="checkbox"/> Minimize noise and vibration by adhering to working hours and regular checking and maintenance of equipment working on site and restrict loud noises. Inspect vehicles regularly for safety; switch off engines when parked; <input type="checkbox"/> Repair damage caused to public roads or facilities. <input type="checkbox"/> Establish on-site camps and nearby spoil sites to reduce traffic. <input type="checkbox"/> No roadside parking; allocate clear parking and loading areas; direct traffic flow with assigned personnel. <input type="checkbox"/> Others_____ | |

5) ECOP5 - Land Acquisition, Restrictions on Land Use, and Involuntary Resettlement (ESS5)

| ECOP5 - Land Acquisition, Restrictions on Land Use, and Involuntary Resettlement (ESS5) | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|
| Please mark "R" for Relevant; "N" for "Not Relevant"; and "NA" for "Not applicable" in the "☐" | | |
| Potential Risks & Impacts | Mitigation Measures | Comments or Justification |
| <input type="checkbox"/> Temporary land use or access restrictions during emergency works. <input type="checkbox"/> Minor land acquisition for infrastructure or service delivery. <input type="checkbox"/> Disruption to livelihoods (e.g., vendor stalls, farming access). <input type="checkbox"/> Conflicts over informal or undocumented land use. <input type="checkbox"/> Impacts on vulnerable groups, including ethnic minorities and women. <input type="checkbox"/> Lack of grievance redress for land-related complaints. <input type="checkbox"/> Poor documentation of voluntary land donation or compensation. <input type="checkbox"/> Others_____ | <input type="checkbox"/> Use public or government land where possible to avoid private land impacts. <input type="checkbox"/> Screen all activities using the E&S screening form to identify land-related risks early. <input type="checkbox"/> If land is needed, ensure it is minor, voluntary, and documented via a Voluntary Land Donation (VLD) form. <input type="checkbox"/> For any unavoidable acquisition, provide compensation at full replacement cost before starting work, in line with national law and ESS5. <input type="checkbox"/> Minimize disruptions to livelihoods (e.g., stalls, farmland) and restore access quickly. <input type="checkbox"/> Provide temporary income support or compensation for economic displacement. <input type="checkbox"/> Consult affected people, especially vulnerable groups, and ensure support is culturally appropriate and gender-sensitive. <input type="checkbox"/> Prohibit large-scale resettlement, in line with the project's Exclusion List. <input type="checkbox"/> Establish and publicize a Grievance Redress Mechanism (GRM) for land-related complaints in local languages. | |

| ECOP5 - Land Acquisition, Restrictions on Land Use, and Involuntary Resettlement (ESS5) | | |
|--------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|
| Please mark "R" for Relevant; "N" for "Not Relevant"; and "NA" for "Not applicable" in the " □ " | | |
| Potential Risks & Impacts | Mitigation Measures | Comments or Justification |
| | <input type="checkbox"/> Maintain records of all consultations, VLDs, and compensation provided. <input type="checkbox"/> Others _____ | |

6) ECOP6 - Biodiversity Conservation and Natural Resource Protection (ESS6)

| ECOP6 - Biodiversity Conservation and Natural Resource Protection (ESS6) | | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|
| Please mark "R" for Relevant; "N" for "Not Relevant"; and "NA" for "Not applicable" in the " □ " | | |
| Potential Risks & Impacts | Mitigation Measures | Comments or Justification |
| <input type="checkbox"/> Disturbance to natural habitats from temporary works or logistics access. <input type="checkbox"/> Encroachment on protected areas or critical habitats due to poorly sited emergency activities. <input type="checkbox"/> Clearing of vegetation or trees for shelter, facilities, or debris management. <input type="checkbox"/> Improper disposal of waste affecting ecosystems, particularly water bodies. <input type="checkbox"/> Risk to local wildlife from noise, human presence, or light pollution. <input type="checkbox"/> Use of timber or other natural resources from unsustainable or unverified sources. <input type="checkbox"/> Others _____ | <input type="checkbox"/> Avoid activities in or near protected areas, critical habitats, or ecologically sensitive zones as per the Exclusion List <input type="checkbox"/> Screen sites in advance using the Risk Classification Framework and exclude any site with high biodiversity value. <input type="checkbox"/> Minimize vegetation clearance; limit to what is strictly necessary and replant where possible. <input type="checkbox"/> Prohibit use of materials (e.g., timber, bamboo) from illegal or unsustainable sources; require verification of origin. <input type="checkbox"/> Ensure all waste is disposed of properly, especially near wetlands, rivers, or forest edges. <input type="checkbox"/> Prohibit hunting, trapping, or harvesting of wildlife by workers or communities. <input type="checkbox"/> Limit lighting and noise near natural habitats, especially at night. <input type="checkbox"/> Train workers on biodiversity protection and local species sensitivity. <input type="checkbox"/> Include biodiversity safeguards in contracts and Codes of Conduct for contractors. <input type="checkbox"/> Others _____ | |

7) ECOP7 - Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities (ESS7)

| ECOP7 - Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities (ESS7) | | |
|--------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------|---------------------------|
| Please mark "R" for Relevant; "N" for "Not Relevant"; and "NA" for "Not applicable" in the " □ " | | |
| Potential Risks & Impacts | Mitigation Measures | Comments or Justification |
| <input type="checkbox"/> Exclusion of ethnic groups from aid, services, or decision-making processes. | <input type="checkbox"/> Ensure ethnic groups are identified during activity screening and meaningfully consulted (refer to SEP). | |

| ECOP7 - Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities (ESS7) <i>Please mark "R" for Relevant; "N" for "Not Relevant"; and "NA" for "Not applicable" in the "☐"</i> | | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|
| Potential Risks & Impacts | Mitigation Measures | Comments or Justification |
| <input type="checkbox"/> Miscommunication due to language and cultural barriers. <input type="checkbox"/> Cultural insensitivity in the delivery of emergency support. <input type="checkbox"/> Lack of participation or informed consent in activities affecting land, culture, or livelihoods. <input type="checkbox"/> Others_____ | <input type="checkbox"/> Translate project-related information (e.g., aid instructions, GRM access) into Lao languages and communicate/disseminate in relevant ethnic languages <input type="checkbox"/> Adapt aid and services (e.g., food, shelter, education, protection) to reflect cultural norms and sensitivities. <input type="checkbox"/> Prioritize outreach to vulnerable ethnic communities. <input type="checkbox"/> Ensure the GRM is accessible, culturally appropriate, and responsive to complaints from ethnic groups. <input type="checkbox"/> Others_____ | |

8) ECOP8 - Cultural Heritage (ESS8)

| ECOP8 - Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities (ESS8) <i>Please mark "R" for Relevant; "N" for "Not Relevant"; and "NA" for "Not applicable" in the "☐"</i> | | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|
| Potential Risks & Impacts | Mitigation Measures | Comments or Justification |
| <input type="checkbox"/> Unintentional damage or disturbance to known or unknown cultural heritage during emergency response or small-scale civil works. <input type="checkbox"/> Inadequate procedures to manage chance finds during excavation, repair, or construction activities. <input type="checkbox"/> Lack of community awareness or respect for local spiritual or sacred sites during project implementation. <input type="checkbox"/> Others_____ | <input type="checkbox"/> Avoid known cultural heritage sites during activity planning and site selection as per the Exclusion List. <input type="checkbox"/> Screen all sites using the Risk Classification Framework to identify proximity to culturally sensitive areas. <input type="checkbox"/> Train contractors and workers on the Chance-Find Procedure (CFP) (see Annex 8) to ensure immediate response and reporting in case of cultural heritage discovery. <input type="checkbox"/> Include CFP requirements in all procurement documents and contracts. <input type="checkbox"/> Suspend activities immediately if cultural artifacts, graves, or structures are encountered; notify relevant authorities and resume only after formal clearance. <input type="checkbox"/> Respect community traditions and consult local leaders when working near sites of cultural or religious importance. <input type="checkbox"/> Others_____ | |

9) ECOP9 - Financial Intermediaries (FIs) (ESS9)

| ECOP9 - Financial Intermediaries (FIs) (ESS9) | | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|
| Please mark "R" for Relevant; "N" for "Not Relevant"; and "NA" for "Not applicable" in the "□" | | |
| Potential Risks & Impacts | Mitigation Measures | Comments or Justification |
| <input type="checkbox"/> Inconsistent application of E&S procedures by implementing partners at national and provincial levels. <input type="checkbox"/> Limited capacity of agencies to apply screening, monitoring, and mitigation tools in line with ESS requirements. <input type="checkbox"/> Risk of misuse of SEADRIF payouts for ineligible or high-risk activities outside the scope of the Exclusion List. <input type="checkbox"/> Weak oversight or reporting of ESS performance at decentralized levels. <input type="checkbox"/> Others _____ | <input type="checkbox"/> The LCP incorporates the SEADRIF Environmental and Social Management System (ESMS), ensuring that all activities follow a standardized process of screening, classification, implementation, and monitoring. <input type="checkbox"/> All implementing agencies are required to: <ul style="list-style-type: none"> • Use the E&S Screening Form (Annex 4) and comply with the Exclusion List (Annex 3). • Assign an E&S focal person to oversee safeguards implementation and coordinate with the Project Implementing Committee (PIC). <input type="checkbox"/> The MOF and PIC, with support from the E&S Consulting Firm, are responsible for: <ul style="list-style-type: none"> • Capacity building, safeguards supervision, and incident reporting. • Collecting and submitting E&S performance reports using templates in Annex 1 and Annex 11. <input type="checkbox"/> Contractors and suppliers must follow ECOP, Code of Conduct (CoC), and Community Feedback Procedures (CFP) in all eligible works. <input type="checkbox"/> The SEADRIF E&S Focal Point will conduct post-E&S compliance audits on activities financed by insurance payouts and submit audit reports to the SEADRIF Trustee and the World Bank, ensuring transparency and accountability across the project cycle. <input type="checkbox"/> Others _____ | |

10) ECOP10 - Stakeholder Engagement and Information Disclosure (ESS10)

| ECOP10 - Stakeholder Engagement and Information Disclosure (ESS10) | | |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|
| Please mark "R" for Relevant; "N" for "Not Relevant"; and "NA" for "Not applicable" in the "□" | | |
| Potential Risks & Impacts | Mitigation Measures | Comments or Justification |
| <input type="checkbox"/> Limited awareness of project activities, eligibility criteria, and safeguards among affected communities. <input type="checkbox"/> Inadequate consultation with vulnerable and ethnic groups, risking exclusion from benefits. <input type="checkbox"/> Delays or gaps in disclosing | <input type="checkbox"/> Implement the Stakeholder Engagement Plan (SEP) outlined in this LCP to ensure inclusive, gender- and culturally-sensitive engagement, especially with ethnic and vulnerable groups. <input type="checkbox"/> Disclose the LCP and ESCP and translate them Lao language using appropriate local communication channels. | |

| ECOP10 - Stakeholder Engagement and Information Disclosure (ESS10) <i>Please mark "R" for Relevant; "N" for "Not Relevant"; and "NA" for "Not applicable" in the " □ "</i> | | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|
| Potential Risks & Impacts | Mitigation Measures | Comments or Justification |
| <p>project information in accessible formats and languages.</p> <p><input type="checkbox"/> Lack of accessible, confidential channels for submitting feedback or grievances.</p> <p><input type="checkbox"/> Weak documentation or follow-up on stakeholder inputs and concerns.</p> <p><input type="checkbox"/> Others_____</p> | <p><input type="checkbox"/> Operate a confidential, accessible GRM with trained focal points, including for SEA/SH-related complaints.</p> <p><input type="checkbox"/> Record consultation outcomes and integrate stakeholder feedback into activity planning and ECOP updates.</p> <p><input type="checkbox"/> Others_____</p> | |

Annex 7: Code of Conduct: Preventing Gender Based Violence and Violence against Children

A. Code of Conduct:

The contractor company is fully committed to fostering a workplace and community environment where gender-based violence (GBV) and violence against children (VAC) are strictly prohibited and will not be tolerated under any circumstances. This commitment applies to all employees, associates, representatives, and subcontractors. Managers hold particular responsibility to uphold this standard, actively supporting and implementing the Company Code of Conduct and related Action Plan. All personnel must understand that any form of GBV or VAC is considered gross misconduct, subject to disciplinary action, including termination and possible legal prosecution, whether it occurs on-site, in surrounding areas, or in worker camps.

We, as employed by the Company, agree that while working on the project We will:

- Treat women, children (persons under the age of 18), and men with respect regardless of ethnicity, language, religion, political or other opinion, national, social origin, citizenship status, property, disability, birth or other status.
- Do not use language or behavior towards women, children or men that is inappropriate, harassing, abusive, sexually provocative, demeaning or culturally inappropriate.
- Do not participate in sexual activity with community members.
- Do not engage in sexual favors or other forms of humiliating, degrading or exploitative behavior.
- Do not engage in any activity that will constitute payment for sex with members of the communities surrounding the workplace.
- Report through the Worker GM suspected or actual gender-based violence against a person of any gender by a fellow worker or any breaches of this Code of Conduct.
- Use any computers, mobile phones, or video and digital cameras appropriately, and never to exploit or harass women, children or a vulnerable person through these mediums.
- Comply with all relevant local legislation.
- Engaging in any of the prohibited activities above can be cause for termination of employment, criminal liability, and/or other sanctions.

B. Sanctions:

We, as employed by the Company, understand that if we breach this Individual Code of Conduct, our employer will take disciplinary action which could include:

- Informal warning.
- Formal warning.
- Loss of up to one week's salary.
- Suspension of employment (without payment of salary), for a minimum period of 1 month up to a maximum of 6 months.
- Termination of employment.
- Report to the police if warranted.

C. Acknowledgement

We, as employed by the Company, understand that it is my responsibility to avoid actions or behaviors that could be regarded as GBV or VAC or breach this Individual Code of Conduct. We do hereby acknowledge that We have read the foregoing Individual Code of Conduct, do agree to comply with the standards contained therein and understand our roles and responsibilities to prevent and respond to GBV and VAC. We understand that any action inconsistent with this Individual Code of Conduct or

failure to take action mandated by this Individual Code of Conduct may result in disciplinary action and may affect my ongoing employment.

Contractor Company:

Company name: _____

Signature of Company's Representative: _____

Printed Name: _____

Title: _____

Date: _____

Contractor's Site Manager:

Signature: _____

Printed Name: _____

Title: _____

Date: _____

All Workers:

List of Staffs and Workers who acknowledged and agreed to comply with the standards contained therein and understand their toles and responsibilities to prevent and respond to GBV and VAC

| No. | Name and Surname | Positon | Signature | Date | Remark |
|-----|------------------|---------|-----------|------|--------|
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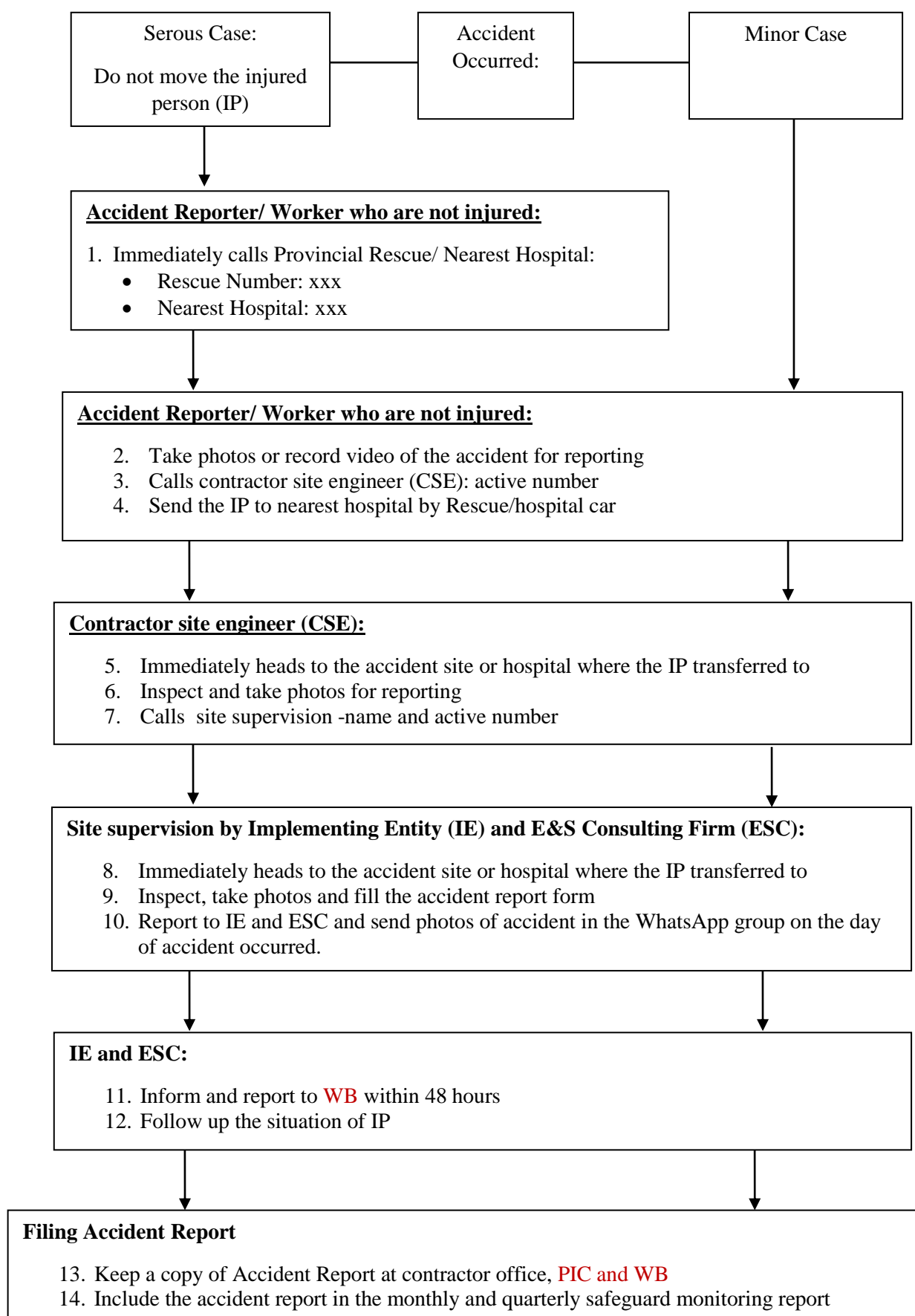
Annex 8: Chance Find Procedure (CFP)

Cultural heritage encompasses tangible and intangible heritage which may be recognized and valued at a local, regional, national or global level. *Tangible cultural heritage*, which includes movable or immovable objects, sites, structures, groups of structures, and natural features and landscapes that have archaeological, paleontological, historical, architectural, religious, aesthetic, or other cultural significance. Tangible cultural heritage may be located in urban or rural settings, and may be above or below land or under the water. *Intangible cultural heritage*, which includes practices, representations, expressions, knowledge, skills—as well as the instruments, objects, artefacts and cultural spaces associated therewith—that communities and groups recognize as part of their cultural heritage, as transmitted from generation to generation and constantly recreated by them in response to their environment, their interaction with nature and their history.

In the event that during construction, sites, resources or artifacts of cultural value are found, the following procedures for identification, protection from theft, and treatment of discovered artefacts should be followed and included in standard bidding documents. These procedures take into account requirements related to Chance Finding under national legislation including [list relevant cultural heritage legislation in country].

- Stop the construction activities in the area of chance find temporarily.
- Secure the site to prevent any damage or loss of removable objects. In cases of removable antiquities or sensitive remains, a guard shall be arranged until the responsible local authorities take over. These authorities are [list the responsible authorities under national legislation].
- Notify the relevant [implementing agency field staff] and the relevant [list the responsible local authorities under national legislation] immediately. [Implementing agency field staff] will inform the [implementing agency management].
- The relevant [list the responsible local authorities under national legislation] shall promptly carry out the necessities and inform the [national level cultural heritage or archeology ministry] immediately from the date on which the information is received.
- The [national level cultural heritage or archeology ministry] would be in charge of evaluation /inspection of the significance or importance of the chance finds and advise on appropriate subsequent procedures.
- If the [national level cultural heritage or archeology ministry] determines that chance find is a non-cultural heritage chance find, the construction process can resume.
- If the [national level cultural heritage or archeology ministry] determines chance find is an isolated chance find, [national level cultural heritage or archeology ministry] would provide technical supports/advice on chance find treatment with related expenditure on the treatment provided by the entity report the chance find.

Annex 9: Accident/Incident Reporting Procedure and Form



ACCIDENT REPORT

Date of the Accident: _____ **Time:** _____

Location: _____

Type of Accident: _____

Detailed Description of the Accident:

Responses / Corrective Actions Taken:

Possible Causes(s) of the Accident:

Suggested Preventive Measures:

| | | | |
|----------------------|--|------------------|--|
| Submitted by: | | Position: | |
| Signature: | | Date: | |

Reviewed by : _____ **Date :** _____

Annex 10: Sample Form on GRM Monitoring and Accident Report

Activity Name:..... Location:.....

Implementing Entities:.....; Contractor/Supplier Name:.....

Contractor Duration: From.....To:.....

| No | Village | Brief Description/nature of grievance | Grievance applied by and contact detail or code (not mandatory) | Ethnic Group | Date of grievance received | Grievance received by | Status of action taken | | Action taken by | Remarks/ Explanation |
|----|---------|---------------------------------------|-----------------------------------------------------------------|--------------|----------------------------|-----------------------|-----------------------------|-----------------------------------|-----------------|----------------------|
| | | | | | | | Solved or what action taken | Date of action completed or taken | | |
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Annex 11: Annual Environmental & Social Report Template

| | | |
|----------------------------------|--------------|--------------|
| Completed by (name): | | |
| Position in organization: | | Date: |
| Reporting period | From: | To: |

1. Introduction

World Bank (the Bank) requires SEADRIF to prepare a comprehensive Annual Environmental and Social Performance Report (AEPR) which describes the relevant aspects to be reported on an annual basis including the implementation and operation of the Environmental and Social Management System (ESMS), Environmental and Social Commitment Plan (ESCP) and Sub-Trust A Operations Manual. The Annual Report template can be revised as necessary subject to agreement with the Bank.

Contents:

- Section A: SEADRIF Representation Statement Signed by an Authorized Representative
- Section B: Implementation of the ESMS/ESCP/Sub Trust A Operations Manual
- Section C: Implementation of Contingency Plans
- Section D: Use of Insurance Payouts

Section A: SEADRIF Representation Statement Signed by an Authorized Representative

I (name) in my role of (position) and representing SEADRIF certify that:

- a) Beyond what is reported in this AEPR for the current reporting period, to the best of my knowledge and belief, after due inquiry I confirm:
 - There are no material social and environmental risks and issues in respect of the operations of SEADRIF that have not been reported in this AEPR.
 - SEADRIF has not received nor is aware of (a) any existing or threatened complaint, order, directive, claim, citation or notice from any authority, or (b) any material written communication from any person concerning the failure by any client to undertake its operations and activities in accordance with the E&S requirements.
 - We are using all reasonable efforts to ensure the continued operation of the ESMS, ESCP and Sub-Trust A Operations Manual to identify, assess and manage the environmental and social performance in compliance with the E&S requirements.
- b) All information contained in this AEPR is true, complete and accurate in all respects at the time of submission and no such document or material omitted any information the omission of which would have made such document or material misleading.

Signature:

Date:

Name:

Position:

Section B: Implementation of the ESMS/ESCP/Sub-Trust A Operations Manual

Have there been any revisions/updates to the ESMS/ESCP/Sub-Trust A Operations Manual adopted by SEADRIF during the reporting period?

☐ Yes ☐ No

If yes, please provide the details of the revisions made and reasons for this

- i.
- ii.
- iii.
- iv.

Please attach updated copies, as relevant.

Who is the senior level competent staff member of the Trustee in the reporting period that has overseen the administration of E&S responsibilities of SEADRIF?

Name:

Contact Information:

Position:

Please provide the name and contact information of the E&S Focal Point of SEADRIF in the reporting period:

Name:

Contact Information:

Position:

Please describe the training or learning activities provided in the reporting year, including the training plan, type of training, timing and the attendees (including E&S Staffs).

Please give details of any material adverse environmental and social issues associated with the operations of SEADRIF (including any payouts) during the reporting period. Include details of any major accidents/incidents, non-compliances, fines levied, negative media attention, any actions taken to address or rectify the issues and impact, etc.

Please describe any stakeholder engagement activities undertaken in the reporting period in as much detail as possible, including the stakeholders, types of engagement and any feedback received.

Please summaries the grievances received, and action taken and provide a copy of the SEADRIF Grievance Tracker.

Have there been any material changes in labour laws (and/or occupational health & safety) that would impact on the Labour Management Plan?

Were there any labour-related issues in the reporting year relating to SEADSRIF's own operations e.g. labour complaints, court cases, staff grievances, sexual harassment complaints, negative media report on labour issues, description of the issues and any actions taken to address or rectify the issues and impact, etc.).

If yes, please provide details.

- i.
- ii.
- iii.

Were there any accidents/incidents relating to work related injuries for SEADRIF's own operations?

If yes, please provide details including description of accidents/incidents any actions taken to address or rectify the issues and impact.

- i.
- ii.
- iii.
- iv.

Please describe any relevant information relating to any initiatives for resource efficiency and waste management for SEADRIF's own operations in the reporting period.

Section C: Contingency Plans

Were there any new beneficiary countries in the reporting period?

Were any Contingency Plans reviewed from an E&S perspective during the reporting period (including updates)? If so, please provide further details and attach the updated Contingency Plans.

Who were there the official(s) designated as E&S staff(s) in charge of E&S matters for the use of insurance payouts?

What training did the E&S staff(s) receive?

Section D: Insurance Payouts

Were there any payouts during the reporting period, if so, please provide further details.

Were any reports provided on the use of proceeds from insurance payout, if so, were they reviewed from an E&S perspective and what were the conclusions? Are there any outstanding follow-up points?

Were any E&S post audit(s) of the use of payout undertaken? If so, please summaries the results here and attach the report(s).

Were any non-compliances identified against the relevant contingency plan? If so, please describe and provide information on the action plan agreed with the Committee and provide information on the status.

Were there any Exclusion List activities identified in the use of insurance payouts? If so, please provide further information.

Were there any reportable incidents, i.e. major accidents or incidents that have received media attention from the payouts, if so, what actions were taken?

Section E: ECOP Compliance Monitoring

The ECOP compliance monitoring will be conducted at key stages including activity screening, contractor onboarding, throughout implementation, and upon completion. Daily monitoring will be carried out by contractors, while implementing entities will conduct weekly checks and report at the end of activities. MoF/PIC, E&S Consulting Firm, and SEADRIF E&S Focal Point are responsible for oversight during screening, activity execution, and post-payout audits. Specific monitoring frequencies include weekly site inspections, immediate checks upon incidents (e.g., cultural finds or grievances), and pre-activity assessments to ensure compliance with the ECOP. All implementing stakeholders are expected to maintain records and report findings in alignment with their assigned roles. Table E1 outlines the monitoring activities and indicators aligned with the ECOP measures provided in **Annex 6** above.

Table E1. ECOP Compliance Monitoring

Please mark “R” for Relevant; “N” for “Not Relevant”; and “NA” for “Not applicable” in the “□”

| Monitoring Activities | Means of Verification / Indicators | Additional Comments or Justification |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|
| ESS1: Assessment and Management of E&S Risks | | |
| <input type="checkbox"/> Confirm assignment of qualified E&S staff by MoF/PIC, MoLSW, and contractors. <input type="checkbox"/> Verify recruitment and mobilization of E&S consulting firm. <input type="checkbox"/> Review institutional arrangements for E&S screening and oversight. <input type="checkbox"/> Monitor delivery of E&S training for MOF, MoLSW, and contractors. <input type="checkbox"/> Check application of Exclusion List and Risk Classification Form during screening. <input type="checkbox"/> Confirm only low to moderate risk activities are approved and implemented. <input type="checkbox"/> Ensure ECOP, CoC, and CFP are integrated into procurement/contracts. <input type="checkbox"/> Track incident and accident notifications submitted to the World Bank within 48 hours <input type="checkbox"/> Review end-of-activity reports and any E&S audits conducted. <input type="checkbox"/> Check training and performance reporting | <input type="checkbox"/> Names and TORs of designated E&S staff at all relevant institutions. <input type="checkbox"/> Signed agreement and mobilization record of the E&S consulting firm. <input type="checkbox"/> Document outlining institutional roles and responsibilities. <input type="checkbox"/> Training records, agendas, and participant attendance sheets. <input type="checkbox"/> Completed screening and classification forms per activity. <input type="checkbox"/> Activity approval list showing consistency with risk classification. <input type="checkbox"/> Procurement documents and contracts with ECOP, CoC, CFP provisions. <input type="checkbox"/> Incident and accident report logs, including submission timestamp. <input type="checkbox"/> End-of-activity E&S performance reports and audit summaries. | |
| ESS2: Labor and Working Conditions | | |

| Monitoring Activities | Means of Verification / Indicators | Additional Comments or Justification |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|
| Worker Camp Management: <input type="checkbox"/> Inspect camp location and obtain necessary approvals. <input type="checkbox"/> Verify installation of secure fencing, gates, and access control. <input type="checkbox"/> Inspect accommodation facilities for safety, sanitation, and adequacy. <input type="checkbox"/> Check for gender-segregated sanitation and safe wastewater disposal. <input type="checkbox"/> Confirm availability of clean drinking water, waste bins, and first aid supplies. <input type="checkbox"/> Verify presence of rest and recreation areas in camp layout. <input type="checkbox"/> Confirm camp rules and emergency info are posted in local language. Labour Management: <input type="checkbox"/> Review contracts for all workers (community, temporary, formal). <input type="checkbox"/> Check compliance with minimum age, non-discrimination, and fair wages. <input type="checkbox"/> Inspect recruitment records to ensure equal opportunity and local hiring. <input type="checkbox"/> Confirm CoC distribution to all workers and display on site. <input type="checkbox"/> Monitor use and functionality of grievance mechanism for workers. <input type="checkbox"/> Confirm availability of psychosocial support and health coverage. OHS: <input type="checkbox"/> Verify risk assessments for hazardous tasks are conducted. <input type="checkbox"/> Check PPE distribution, condition, and use compliance. <input type="checkbox"/> Confirm daily safety briefings and OHS training are conducted. <input type="checkbox"/> Review EHS officer assignment and their oversight activities. <input type="checkbox"/> Audit incident logbooks, including | Worker Camp Management: <input type="checkbox"/> Camp site approval and clearance records. <input type="checkbox"/> Visual confirmation of fences, lighting, water, sanitation facilities. <input type="checkbox"/> Accommodation inspection checklist. <input type="checkbox"/> Log of camp supplies (water, first aid kits, mosquito nets, fire equipment). <input type="checkbox"/> Camp layout and recreation area presence. <input type="checkbox"/> Photos of posted rules, CoC, and emergency contacts. Labour Management: <input type="checkbox"/> Worker age verification and signed contracts. <input type="checkbox"/> Recruitment and payroll records. <input type="checkbox"/> Grievance log with resolution status. <input type="checkbox"/> Training and CoC distribution records. <input type="checkbox"/> Records of local hires and gender/equality stats. <input type="checkbox"/> Documentation of mental health or support referrals. OHS: <input type="checkbox"/> Risk assessments for job-specific tasks. <input type="checkbox"/> PPE issuance logs and visual spot checks. <input type="checkbox"/> Safety training attendance logs and agendas. <input type="checkbox"/> EHS officer TOR and monitoring checklists. <input type="checkbox"/> Incident/injury logbooks and investigation reports. <input type="checkbox"/> COVID-19 compliance logs (e.g., temperature checks, handwashing stations). <input type="checkbox"/> Work hour records and break schedules. | |

| Monitoring Activities | Means of Verification / Indicators | Additional Comments or Justification |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|
| <p>near-miss investigations.</p> <p><input type="checkbox"/> Verify implementation of COVID-19 safety measures (distancing, hygiene, screening).</p> <p><input type="checkbox"/> Confirm safe rest spaces and adherence to regulated work hours.</p> | <p><input type="checkbox"/></p> | |
| ESS3: Resource Efficiency and Pollution Prevention | | |
| <p><input type="checkbox"/> Inspect waste segregation and storage practices.</p> <p><input type="checkbox"/> Check hazardous material storage and spill control.</p> <p><input type="checkbox"/> Verify use of licensed waste disposal services.</p> <p><input type="checkbox"/> Monitor housekeeping and sediment controls.</p> <p><input type="checkbox"/> Confirm training on 3R and waste handling.</p> <p><input type="checkbox"/> Check for littering, oil spills, and untreated discharge.</p> <p><input type="checkbox"/> Review emergency procedures and incident records.</p> | <p><input type="checkbox"/> Labeled waste bins in place.</p> <p><input type="checkbox"/> Safe hazardous material storage (with MSDS).</p> <p><input type="checkbox"/> Disposal records from licensed providers.</p> <p><input type="checkbox"/> Cleanliness checklists and site photos.</p> <p><input type="checkbox"/> Training attendance logs.</p> <p><input type="checkbox"/> Records of spills, wastewater discharge, and incident reports.</p> <p><input type="checkbox"/> Emergency response plan available.</p> | |
| ESS4: Community Health and Safety | | |
| <p><input type="checkbox"/> Verify community consultation and safety communication efforts.</p> <p><input type="checkbox"/> Inspect signage, barriers, sanitation facility placement, and SEA/SH materials.</p> <p><input type="checkbox"/> Check coordination with health authorities and availability of hygiene supplies.</p> <p><input type="checkbox"/> Monitor grievance channels, community complaint handling, and incident reporting.</p> <p><input type="checkbox"/> Inspect roads pre- and post-construction; confirm repairs.</p> <p><input type="checkbox"/> Monitor traffic schedule adherence, driver logs, speed limits, and training.</p> <p><input type="checkbox"/> Observe dust suppression, noise levels, vehicle conditions, and designated parking areas.</p> | <p><input type="checkbox"/> Consultation records and public notices.</p> <p><input type="checkbox"/> Number and visibility of safety signs/barriers.</p> <p><input type="checkbox"/> Location and safety of sanitation facilities.</p> <p><input type="checkbox"/> Hygiene supply logs and coordination notes with health authorities.</p> <p><input type="checkbox"/> SEA/SH signage posted; grievance access confirmed.</p> <p><input type="checkbox"/> Complaint logbooks and incident/accident reports.</p> <p><input type="checkbox"/> Road inspection reports and repair records.</p> <p><input type="checkbox"/> Driver training logs, traffic flow plans, and speed check data.</p> <p><input type="checkbox"/> GRM logs on dust and noise.</p> | |
| ESS5: Land Acquisition and Involuntary Resettlement | | |

| Monitoring Activities | Means of Verification / Indicators | Additional Comments or Justification |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|
| <input type="checkbox"/> Screen proposed activities using the E&S screening form for land-related risks. <input type="checkbox"/> Verify land status (public vs. private) prior to activity implementation. <input type="checkbox"/> Confirm use of Voluntary Land Donation (VLD) forms where applicable. <input type="checkbox"/> Monitor whether compensation is provided before works begin, if applicable. <input type="checkbox"/> Check restoration of access and support for economically affected persons. <input type="checkbox"/> Review consultation processes with affected people, especially vulnerable groups. <input type="checkbox"/> Inspect GRM accessibility and responsiveness for land-related grievances. <input type="checkbox"/> Maintain documentation of land transactions, consultations, and support provided. | <input type="checkbox"/> Completed screening forms identifying land impacts. <input type="checkbox"/> <input type="checkbox"/> Land ownership verification documents. <input type="checkbox"/> Signed and filed VLD forms. <input type="checkbox"/> Compensation records (amounts, dates, recipients). <input type="checkbox"/> Access restoration evidence (photos, reports). <input type="checkbox"/> Consultation minutes and participant lists disaggregated by gender and vulnerability. <input type="checkbox"/> GRM logs for land-related issues. <input type="checkbox"/> Records of all land-related documentation and resolutions. | |
| ESS6: Biodiversity Conservation | | |
| <input type="checkbox"/> Screen all activity sites against the Exclusion List and Risk Classification Framework. <input type="checkbox"/> Inspect project sites for proximity to protected areas or sensitive habitats. <input type="checkbox"/> Review vegetation clearance plans and replanting activities. <input type="checkbox"/> Verify legal origin and sustainability certification of natural materials used. <input type="checkbox"/> Monitor waste disposal practices, especially near water bodies or forest edges. <input type="checkbox"/> Check compliance with wildlife protection rules among workers and local communities. <input type="checkbox"/> Observe noise and lighting impacts near habitats, particularly at night. | <input type="checkbox"/> Completed site screening forms with biodiversity risk classification. <input type="checkbox"/> Maps or documentation confirming site location relative to sensitive areas. <input type="checkbox"/> Vegetation clearance records and replanting reports. <input type="checkbox"/> Supplier certificates verifying legal and sustainable sourcing of materials. <input type="checkbox"/> Waste disposal logs, including locations and methods. <input type="checkbox"/> Incident records of illegal hunting, trapping, or wildlife disturbance. <input type="checkbox"/> Records of light/noise control measures and visual inspections. <input type="checkbox"/> Biodiversity training attendance | |

| Monitoring Activities | Means of Verification / Indicators | Additional Comments or Justification |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|
| <input type="checkbox"/> Conduct training sessions for workers on biodiversity protection. <input type="checkbox"/> Confirm biodiversity safeguards are included in contractor contracts and Codes of Conduct. | sheets and materials. <input type="checkbox"/> Signed contracts with biodiversity clauses and distributed Codes of Conduct. | |
| ESS7: Indigenous Peoples (Ethnic Groups) | | |
| <input type="checkbox"/> Screen activities to identify presence of ethnic groups and document consultations. <input type="checkbox"/> Review communication materials and confirm translation into Lao and relevant ethnic languages. <input type="checkbox"/> Inspect whether aid and services are adapted to cultural norms. <input type="checkbox"/> Monitor outreach and engagement efforts targeting vulnerable ethnic communities. <input type="checkbox"/> Assess accessibility and responsiveness of GRM for ethnic groups. <input type="checkbox"/> Verify use of culturally appropriate engagement methods as per SEP. | <input type="checkbox"/> Screening forms with documentation of ethnic group presence and consultation records. <input type="checkbox"/> Translated materials and distribution records. <input type="checkbox"/> Feedback from ethnic group beneficiaries on aid suitability. <input type="checkbox"/> Logs of outreach activities and participation data disaggregated by ethnicity. <input type="checkbox"/> Grievance records showing usage by ethnic group members and response times. <input type="checkbox"/> SEP implementation reports reflecting culturally appropriate engagement practices. | |
| ESS8: Cultural Heritage | | |
| <input type="checkbox"/> Screen all proposed sites for proximity to known cultural heritage areas using the Risk Classification Framework. <input type="checkbox"/> Confirm that Chance-Find Procedure (CFP) is included in contractor training and contracts. <input type="checkbox"/> Inspect ongoing works to ensure no encroachment near cultural or religious sites. <input type="checkbox"/> Monitor contractor response in case of a chance find, including reporting and activity suspension. <input type="checkbox"/> Engage local leaders in consultations when working near culturally significant areas. | <input type="checkbox"/> Site screening forms documenting proximity to cultural heritage. <input type="checkbox"/> Training records on CFP and signed contractor agreements including CFP clauses. <input type="checkbox"/> Incident logs of any chance finds and documented response actions. <input type="checkbox"/> Minutes of consultation with community or religious leaders. <input type="checkbox"/> Evidence of halted activities and official clearance when chance finds occur. | |
| ESS9: Financial Intermediaries | | |
| <input type="checkbox"/> Verify use of the E&S Screening Form and application of the | <input type="checkbox"/> Completed E&S screening forms and documentation of exclusion | |

| Monitoring Activities | Means of Verification / Indicators | Additional Comments or Justification |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|
| <p>Exclusion List by implementing agencies.</p> <p><input type="checkbox"/> Confirm assignment of E&S focal persons at MOF, MoLSW, and contractor levels.</p> <p><input type="checkbox"/> Review compliance of contractors with ECOP, CoC, and CFP during activity implementation.</p> <p><input type="checkbox"/> Monitor E&S capacity-building activities and participation.</p> <p><input type="checkbox"/> Collect and verify completeness of E&S reports using standard templates (Annexes 1 & 11).</p> <p><input type="checkbox"/> Track SEADRIF post-audit process and submission of audit reports to the Trustee and World Bank.</p> | <p>compliance.</p> <p><input type="checkbox"/> List of E&S focal persons and organizational chart with responsibilities.</p> <p><input type="checkbox"/> Training records and attendance sheets for safeguards and E&S tools.</p> <p><input type="checkbox"/> Number of site inspections and non-compliance issues reported or resolved.</p> <p><input type="checkbox"/> Timely submission of E&S performance and audit reports.</p> <p><input type="checkbox"/> SEADRIF audit reports submitted with findings and follow-up actions documented.</p> | |
| ESS10: Stakeholder Engagement and Disclosure | | |
| <p><input type="checkbox"/> Verify implementation of stakeholder engagement activities as per SEP.</p> <p><input type="checkbox"/> Confirm translation and public disclosure of LCP and ESCP in Lao and ethnic languages.</p> <p><input type="checkbox"/> Monitor functionality and accessibility of GRM, including SEA/SH channels.</p> <p><input type="checkbox"/> Review consultation records and documentation of feedback integration.</p> <p><input type="checkbox"/> Check that focal points are trained and GRM materials are available at village/project sites.</p> | <p><input type="checkbox"/> Number of consultations conducted disaggregated by gender, ethnicity, and location.</p> <p><input type="checkbox"/> Evidence of LCP and ESCP disclosure (e.g., announcements, photos, website postings).</p> <p><input type="checkbox"/> Functioning GRM system with log of complaints received, resolved, and escalated.</p> <p><input type="checkbox"/> Records showing integration of feedback into planning and ECOP.</p> <p><input type="checkbox"/> List of GRM focal points and training records.</p> | |

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