Financing Disaster Risk Reduction, Response and Recovery

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New Delhi, 27 October, 2016

Questions to be addressed

- What is the experience of the States in using NDRF/SDRF funds for disaster response?
- Do the current norms do well on the ground?
- How are the activities beyond immediate relief----long term recovery work----supported?
- How do we ensure that disaster relief is undertaken in a manner that reduces vulnerability for the future?
- What are some of the ways for financing risk reduction?
- If the best way to pursue disaster risk reduction is through mainstreaming, is there a case for a separate financing mechanism for DRR or should be part of sectoral plans?

Experience in using NDRF/SDRF Funds: Current Norms

- **Some of the norms are inadequate and inconsistent with ground realities. For example**
  - **GR is admissible only to those who are not housed in the relief camp: State Govt has to certify**
  - **Total expenditure on GR not to exceed 25% of the SDRF allocation of the year**
  - **Period of relief camps upto 60 days: 90 days for severe drought. Experience of kosi floods in 2008.**
  - **Expenditure on Relief camps not to exceed 25% of the SDRF allocation of the year**
  - **Agriculture Input Subsidy for crop loss limited to 2 ha per farmer (sharecroppers??) ; amount is inadequate compared to losses suffered by farming community (6800/13500 per ha for agricultural crops and 18000 for perennial crops)**
  - **Provision of fodder/feed concentrate, water supply and medicine in cattle camp: Rs 70 per large and Rs 35 per small anomals per day; too inadequate; experience of recent Bihar floods.**

Experience------------

- **Replacement of animals: ceiling upto 3 milch large animals/30 small milch animals/3 large draught animals/6 small draught animals per household irrespective of whether more number of animals have been lost**
- **House damage relief grossly inadequate: Rs 95,100 in plains/Rs 1,01, 900/ in hills and IAP districts per house for fully/severely damaged pucca and kachcha houses**
- **Repair of Roads: based on notified OR/Periodical Renewal norms; if OR/PR norms not notified, assistance @Rs 1(one) lakh per km for NH/MDRs and Rs 0.60 lakh per km for village roads. Why not actual cost as assessed by SEC ? Roads and bridges are totally washed out by severe floods requiring huge funds.**
- **Repairs of primary and secondary school buildings, PHCs, Anganwadis etc: Rs 2 lakh per building. What about buildings washed away in severe floods?**

How the long term recovery supported?

- **Long term recovery requires huge funding: both at the affected household level and Govt level**
- **Disasters destroy shelter and livelihood opportunities: Kosi disaster is an example**
- **Coping capacity of poor households very precarious: ex gratia/relief grossly inadequate for recovery; impoverished households are pushed to indebtedness/migration-----Insurance may be an answer?**
- **Restoration/Rehabilitation of damaged Infrastructure responsibility of State Governments; depending upon the severity of disasters damages to infrastructure may be negligible, substantial or huge.**
- **SDRF/NDRF norms do not provide sufficient financial resources to the State Governments for long term recovery**
- **State Governments to provide sectoral budgets from internal resources: an important issue; strain on the financial position of multi-hazard prone States; delays in recovery; resource crunch for ongoing development works**

Manner in which disaster relief be undertaken to reduce vulnerability in future

- **Relief is household- and damage- centric**
- **Experience shows no direct correlation between manner relief is distributed and reduction of vulnerability**
- **But attempts can be made: Relief distribution can be treated an opportunity of capacity building of disaster affected population; States need to develop capability of field staff before that**
- **For example, in cases of relief distribution for damaged houses, disaster-resilient house designs can be shared with the beneficiaries: side by side capacity building**
- **Transfer of appropriate technology for better use of silts deposited on arable lands together with distribution of relief for silt removal**
- **Disaster resilient agricultural practices can be shared with farmers during distribution of agriculture input subsidy.**
- **For restoration of damaged infrastructure, “Build back better” principle can be applied by Govt departments**

Ways of financing DRR and Mainstreaming

- **SFA with its 7 targets and 4 priorities agreed between 187 nations of the world has brought into focus the culture of DRR –the culture of resilience**
- **More than finances cultivating this culture and making it a habit is important for DRR; this culture should permeate the thought process of all stakeholders including community, Union/State and local Governments and disaster management partners**
- **Governments need to focus on Resilient Villages, Resilient Cities, Resilient Basic Services, Resilient Infrastructure and Resilient Livelihoods---the five pillars of DRR**
- **Bihar Government immediately after 3rd WCDRR in Sendai organised its 1st BCDRR; A 15 year Bihar DRR Roadmap 2015-2030 formulated through intense consultation process and approved by State Cabinet in April this year; Hon'ble CM announced: "the disaster affected people have first right over State treasury"**
- **Defined roles and responsibility assigned to 27 Govt Departments/Agencies with short/medium/long term goals under Roadmap**

Ways of-----------

- **Mainstreaming would follow if this culture permeates the activities performed by all Govt Ministries/Departments---**
- ➢ **culture of working in silos must end and DRR should be considered an inalienable factor in planning, designing, budgeting and execution of development activities**
- ➢ **greater need of capacity building of concerned departments/Ministries: capacity to be aware of risk, recognition of risk and capability to address the risk**
- **Community being the first responder the culture of DRR would make a difference; needs empowerment to be aware of, recognise and address risk: VDMP?**
- **Empowered household would invest in safe house construction, for example; empowered community can invest in community assets**
- **Other stakeholders should invest in DRR: come out of " highly visible" relief distribution mode**

Ways of----------

- Financing DRR should be part of sectoral plans as well as have a separate financing mechanism
  - ➢ Sectoral plans will strengthen culture of Resilience: but needs close monitoring
  - ➢ Separate financing mechanism would help in filling the gaps: help in incentivising the community, R& D activities, capacity building
- Separate financing mechanism can be financed and operated on the pattern of SDRF
  - ➢ Proportional contribution by Union and State Governments; 75-25%, managed by SEC
- Union Government should have a separate DRR fund: assistance to States on certain performance indicators
- Financing under CSR activities by corporates: public and private sectos both
- Financing by International/National Agencies engaged in DM activities

THANK YOU ALL