Financing Disaster Risk Reduction, Response and Recovery

By
Vyas Ji, IAS (Retd)
Vice Chairman
SDMA, Bihar
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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 animals 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 sectors both
- Financing by International/National Agencies engaged in DM activities
THANK YOU ALL