


Promoting Risk Mitigation within an Emergency Recovery Framework

The World Bank Perspective



Christoph Pusch
South Asia Regional Coordinator
Disaster Risk Management

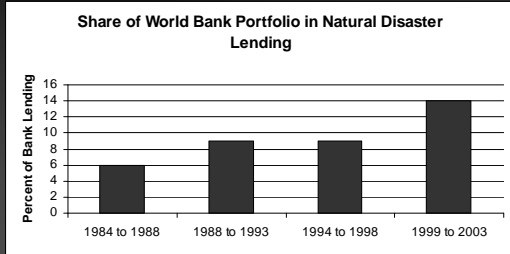
New Delhi, November 8, 2007

1

Bank's DRM Lending is Rising

Total: \$40 Billion 1980-2003

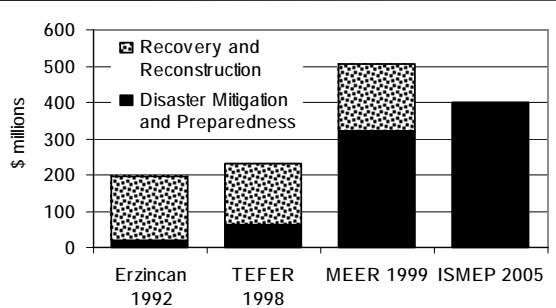
Share of World Bank Portfolio in Natural Disaster Lending



Period	Percent of Bank Lending
1984 to 1988	5
1988 to 1993	9
1994 to 1998	9
1999 to 2003	14

2

Emergency is Window of Opportunity for Risk Reduction (Turkey case)



Project	Year	Disaster Mitigation and Preparedness (\$ millions)	Recovery and Reconstruction (\$ millions)	Total (\$ millions)
Erzincan	1992	~30	~170	~200
TEFER	1998	~60	~170	~230
MEER	1999	~330	~170	~500
ISMEP	2005	~400	0	~400

3

Disaster Risk Management Framework

Emergency Preparedness

- Emergency Response Planning
- Exercises
- Public Awareness
- Communication and Information Management Systems
- Technical Emergency Response Capacity

Institutional Capacity Building

- Decentralized Emergency Management System
- Community Participation
- Legislative Framework
- Training, Education and Knowledge Sharing
- International Cooperation



Risk Assessment

Risk Mitigation Investments

- Warning and Monitoring Systems
- Hazard Mapping and Land Use planning
- Code Refinement and Enforcement
- Hazard Specific Risk Mitigation
- Climate Change Adaptation

Catastrophe Risk Financing

- Ex-Ante Funding Arrangements
- Catastrophe Insurance Pools
- Reserve Funds
- Contingent Capital Facility

4

Key issues for Emergency Funding

- Establish effective coordination mechanism
- Incorporate risk mitigation measures in emergency response
- Up-grade capacity along the *Five Pillars* of the Risk Management Framework
- Build incentives for mitigation investment
- Focus on proper reconstruction planning to reduce vulnerability (build back better)
- Develop financial and institutional capacity to deal with future disaster ex-ante

5

World Bank: A *Client-centric* Strategic Framework for Disaster Risk Mitigation

- **Speedy, flexible and innovative** financing of disaster recovery and mitigation
 - New Operations Policy (Board approval in March 07)
 - Longer term approach to vulnerability reduction
- **Technical assistance** for client countries to **identify risks**, and to **develop and implement** mitigation strategies,
 - Upstream attention through CASs and PRSPs
 - Focus on Current and Emerging Risks
- **Serve borrowers' needs to benefit from Bank's expertise in disaster needs assessment and reconstruction planning**
 - Quick Reaction Team for Natural Hazards
 - Callable registry of experienced staff for recovery and reconstruction
- **Forging stronger partnerships in both ex ante and ex post operations**
 - Closer cooperation with donors, UN, IFRC and other partners

6

Global Facility for Disaster Reduction and Recovery (GFDRR)

- One of the enabling financing instruments to implement strategic risk mitigation framework
- Developed in implemented in close cooperation and partnership with ISDR, UN, Donors & Client Countries, and other partners
- Bridges knowledge gap
- Fosters coordination and partnerships at all levels
- Stimulates demand for risk mitigation, vulnerability reduction and adaptation to climate change
- Provides funds for analytical work and facilitates knowledge sharing in natural disaster hotspots of the world

7

11/19/2007

GFDRR

GFDRR 3-Track Financing

- Support ISDR to develop a coherent and coordinated approach to risk reduction (**TRACK I**)
- Assist vulnerable countries to mainstream disaster risks in development strategies (**TRACK II**)
- Speedy and predictable financing for disaster recovery in low income countries (**TRACK III**)

8

TRACK I

Global and Regional Cooperation in Risk Reduction

- To enhance global and regional advocacy, partnerships, and knowledge management for mainstreaming hazard risk management in low and middle-income countries at risk.
- To promote the standardization and harmonization of hazard risk management tools, methodologies and practices.

9

TRACK II - Country Programs

- Mainstreaming disaster risk mitigation and climate change adaptation in development strategies
- Learning, research, and knowledge management for current and future risks
- Developing frameworks to catalyze investment in hazard prevention, mitigation and preparedness, and climate change adaptation
- Promote development and establishment of Catastrophic Risk Financing schemes

10

TRACK III

Accelerated Disaster Recovery in Low Income Countries

- Standby Recovery Financing Facility for low income countries who:
 - have initiated disaster prevention investments,
 - have limited fiscal space, and
 - may require additional resources for accelerated recovery without having to reallocate pre-committed development resources.
- Financing structure and operating procedures being developed

11



Thank you!

12