



## **ADMINISTRATION & GOVERNANCE**

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Administration and governance is the parasol under which disaster risk reduction takes place. For making disaster risk reduction (DRR) an underlying principle in all relevant development sectors, the key factors are existence of public awareness, political will and sufficient capacity.

Governance, as defined by UNDP, is the exercise of political, economic and administrative authority in the management of a country's affairs at all levels. It comprises mechanisms, processes and institutions through which citizens and groups articulate their interests, exercise their legal rights, meet their obligations and mediate their differences. Governance encompasses, but also transcends, government. It encompasses all relevant groups, including the private sector and civil society organizations<sup>1</sup>.

### **Administration and governance Issues<sup>2</sup>**

**Policy:** *“Authority and external resources normally flow from the apex of political power, while knowledge of the situation, information, local resources and leadership all rise from the local community levels. Disaster planning will always be ineffective if confined strictly to a process of central planning and command and control practices... In order to achieve effective local disaster plans, it is essential that provincial, district and local level officials be given power to manage disaster protection activities”*. A good policy provides a multi-sectoral framework for disaster risk reduction and institutions for the coordination of government agencies, participation of civil society and collaboration with the private sector and all stakeholders. Risk identification and assessment is the foundation of a comprehensive disaster risk management policy.

**Planning:** A national disaster risk management plan backed by legislation translates into programmes and activities. The plan, which needs to be updated periodically, spells out in detail the actions to be taken with a time frame,

allocation of responsibilities, resource requirements, preparedness measures such as early warning, public awareness, knowledge development and management, risk and vulnerability assessment, as well as mitigation and risk reduction activities.

**Legal and Regulatory Frameworks:** Legislation provides evidence of political commitment and government intention to provide a solid basis for the policy and sound planning and the coordination of disaster risk management measures. Legislation usually defines the institutional arrangements and roles and ensures compliance for the implementation of policy, resource allocation and a framework for enforcement regulations and building codes. Legislation remains a critical element in ensuring effective coordination and local participation.

**Administrative Arrangements:** “While disaster management and response coordination requires centralized command, there is a need to decentralize disaster risk reduction. Along with the decentralization of power and devolution of government authority, disaster risk reduction at the local level needs to be encouraged and supported”.

**Resources and Funding:** Good policies and plans may be in place, but without the necessary resources for implementation these will remain hollow commitments. Governments need to allocate financial, human and material resources to disaster risk management structures. Resource allocation poses a real challenge in situations where so many demands compete for limited resources. Insufficient capacity and weak governance structure, corruption and a weak national resource base may undermine development of innovative mechanisms for resource mobilization and the providing of task incentives. However, if governments identify disaster risk reduction as a priority, and re-arrange their national development priorities, resources can be identified for disaster risk reduction.

**Organization and Structure:** Local communities are often more conversant with both disaster risks experienced and the necessary resources and existing opportunities to identify and manage disaster risks. Disaster risk management at local level is a key element in any viable national disaster risk reduction strategy, and must be built on community networks and effective municipal and local

government institutions. Decentralized structures, which provide opportunities for participation and involvement of all segments of society, are thus critical.

### **Mainstreaming Disaster Risk Reduction (DRR)**

Disaster Risk Reduction being a cross-cutting development issue requires political and legal commitment, scientific knowledge, careful development planning, and application of technology, law enforcement, community participation, early warning systems and effective disaster preparedness and response mechanism. There is a need to foster an enabling environment for developing a culture of prevention and to enable concerted measures to facilitate the integration of disaster management into developmental planning in various sectors and at all levels, from the National to the local, through a participatory decision making process<sup>3</sup>. Mainstreaming DRR will facilitate in identifying a comprehensive all hazard and all agency approach by achieving a balance between preparedness, awareness, relief and response regardless of the actual nature of hazard. Secondly, all levels of the government apply effective corporate governance and are committed to continuous improvement of policy, programs, practices and service delivery to improve community safety<sup>4</sup>.

### **Strategies for mainstreaming DRR<sup>4</sup>**

- Identify, support and resource research priorities.
- Capture lessons learn to develop policies and manage research allocation framework.
- There is also a need to establish a knowledge management framework.
- One can also translate knowledge into practice through review of plans and procedural systems and processes.
- Finally, one can establish a formal relationship with the researchers to incorporate disaster management framework into effective policy and practice.

## **ASEAN Agreement on Disaster Management and Emergency Response (AADMER)<sup>5</sup>**

AADMER is a regional legally-binding agreement that binds ASEAN Member States together to promote regional cooperation and collaboration in reducing disaster losses and intensifying joint emergency response to disasters in the ASEAN region. AADMER is also ASEAN's affirmation of its commitment to the Hyogo Framework for Action (HFA).

The ASEAN Agreement on Disaster Management and Emergency Response or AADMER has been ratified by all ten Member States and entered into force on 24 December 2009. The AADMER is a proactive regional framework for cooperation, coordination, technical assistance, and resource mobilization in all aspects of disaster management. It also affirms ASEAN's commitment to the Hyogo Framework of Action (HFA) and is the first legally-binding HFA-related instrument in the world.

## **Agreement on Disaster Management and Emergency Response Vientiane, 26 July 2005<sup>6</sup>**

The objective of this Agreement is to provide effective mechanisms to achieve substantial reduction of disaster losses in lives and in the social, economic and environmental assets of the Parties, and to jointly respond to disaster emergencies through concerted national efforts and intensified regional and international cooperation. This should be pursued in the overall context of sustainable development and in accordance with the provisions of this Agreement.

## **Key Recommendations ASEAN Member States<sup>7</sup>**

The key recommendations to support and encourage the further development of cost-effective, affordable, and sustainable disaster risk financing and insurance in ASEAN Member States. These recommendations aim to offer a framework for a regional agenda on disaster risk financing and insurance.

1. Develop risk information and modeling systems for ASEAN governments to assess the economic and fiscal impact of natural disasters and include those risks in overall fiscal risk management.
2. Develop disaster risk financing and insurance strategies at the national and sub-national levels to manage potential budget volatility associated with natural disasters and provide insurance coverage against natural disasters for key public assets.
3. Establish national disaster funds as a financial mechanism to ensure the fast disbursement and execution of funds in the aftermath of a disaster.
4. Promote private catastrophe risk insurance markets through public-private partnerships and the development of enabling regulatory and risk market infrastructure.
5. Strengthen regional cooperation on disaster risk financing and insurance to support its development, including the establishment of a regional catastrophe risk insurance vehicle.

### **Micro insurance Experiences in the ASEAN Member States<sup>8</sup>**

ASEAN, region is expected to grow and activation of sustainable and viable micro insurance programs could be facilitated by the elements listed below.

**Substantial Numbers** - Number of people in need for disaster micro insurance protection is substantial. In Malaysia, Thailand, Indonesia, Philippines, Viet Nam, Laos, and Cambodia total population is about half a billion people, 60% of which lives at or around the poverty line and which needs protection from natural disasters in its climb out of poverty.

**Diverse Risks** - A multitude of inter-related forces and risks shape the risk landscape in the region: food security and agricultural risk, natural catastrophes, resource needs (water, energy), population growth, urbanization and population migrations, dynamic changes in life expectancy, rapid economic advancement, dramatic wealth and income disparities, exposure to pandemics, climate change and geopolitical instability.

**Governments** - The complexity of demographic, economic and other risks in the region manifest an environment where government involvement, interest, and oversight (control) of risk and insurance markets needs to be significant. Historically, the region has suffered the most due to catastrophic events and has the least developed marketplace mechanism for transferring and managing the risk. Governments are recognizing this and are looking for ways to mitigate the impacts. Fortunately, the economic growth and a culture bias of saving could allow some governments to accumulate and organize resources (intellectual, fiscal and infrastructure) to begin to address and mitigate some of their key risks, e.g. Philippines.

**New policies could create commercial opportunities** - Some governments in the region have mandated requirements for finance / insurance / reinsurance protection for the poorest portions of their populations, as well as focusing on agricultural risk transfer for the small-scale growers. In support of these mandates and laws, governments are stimulating the development of the necessary insurance mechanisms and markets for catastrophic risks. Legislative efforts in Philippines should be mentioned in this context.

## **References**

<sup>1</sup>[http://www.preventionweb.net/files/17429\\_4disasterriskreductiongovernance1.pdf](http://www.preventionweb.net/files/17429_4disasterriskreductiongovernance1.pdf)

<sup>2</sup> [http://www.recoveryplatform.org/assets/tools\\_guidelines/Why\\_Governance.pdf](http://www.recoveryplatform.org/assets/tools_guidelines/Why_Governance.pdf)

<sup>3</sup> <http://nidm.gov.in/npdrr/>

<sup>4</sup> [http://www.saarc-sadkn.org/theme\\_gov\\_main.aspx](http://www.saarc-sadkn.org/theme_gov_main.aspx)

<sup>5</sup> ASEAN Agreements on Disaster Management and Emergency Response (AADMER) Work Programme 2010-2015

<sup>6</sup> <https://www.ifrc.org/Docs/idrl/N112EN.pdf>

<sup>7</sup> ASEAN: Advancing Disaster Risk Financing and Insurance in ASEAN Member States: Framework and Options for Implementation Volume 1: Main Report

<sup>8</sup> ASEAN: Advancing Disaster Risk Financing and Insurance in ASEAN Member States: Framework and Options for Implementation Volume 2