

Developing Capacities for Effective Disaster Risk Management in Low-Income OIC Member Countries

Side Event during the Third World Conference on Disaster Risk Reduction

Organized by Islamic Development Bank (IDB) & Statistical, Economic and Social Research and Training Centre for Islamic Countries (SESRIC)

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CONCEPT NOTE

SHORT ABSTRACT

The disaster-prone low-income OIC member countries lack critical institutional and technical capacity and resources to effectively manage disaster risks. This side event aims to bring relevant stakeholders from governments, international organizations and civil societies with a view to strengthening cooperation and solidarity with these countries to develop capacities for effective management of disaster risks.

I. BACKGROUND

The frequency of disasters and related losses are expanding with grave consequences and they are increasingly affecting broader areas. There are increasingly coordinated efforts to reduce disaster risks through bilateral, regional and international cooperation and partnerships. However, a staggering world economy, widespread concerns over food and energy insecurity, global climate change, and many other factors seriously challenge progress towards sustaining prosperity in many developing countries. Even though many countries are making significant progress in strengthening capacities, institutional systems and legislation to improve their disaster preparedness and response capacity, the exposure of people and assets in lower income countries to natural disasters is expanding at a faster rate than their risk mitigation and response capacities are being strengthened. This naturally leads to increased disaster risk for such countries.

The OIC member countries are exposed to a large number of natural and human-made hazards and many characteristics of the member countries make them particularly vulnerable to the impacts of these hazards. As a result, most of the OIC member countries are among the most disaster prone areas of the world and have experienced significant number of disasters, human casualties and economic losses during the past century. Continuation of this trend in the future should be a major area of concern for the governments as well as OIC and its development cooperation institutions, as disasters could retard the development process by taking away a significant proportion of resources accumulated from development investments over many years, leaving the member countries even more exposed to future hazards.

The insufficient capacities for effective risk management policies, strategies and activities as well as the vulnerability to different classes of risk among the OIC member countries remain, therefore, a major issue. In this regard, a comprehensive disaster risk management strategy is required to reduce vulnerabilities and increase preparedness to disasters in OIC member countries by strengthening cooperation and coordination capacities, institutional systems, and legislation, and thereby minimize mortality and economic losses through an effective immediate response mechanism. It is also needed to strengthen the capacities of crisis-laden and disaster-prone member countries for long-term recovery and development.

In this framework, IDB and SESRIC prepared a comprehensive report on managing disasters (and conflicts) in OIC countries. The report mainly aims at promoting collaborative actions for strengthening the institutional capacities for countries that experience/d destructive natural disasters and man-made crises, which may limit the operational and technical capacities of institutions. Moreover, the report also supports the disaster-related actions to focus more on mitigation and preparedness instead of response with a view to minimizing the impacts of disasters.

Noting the fact that most of the disaster-prone member countries lack significant institutional and technical capacity as well as adequate resources to foster disaster mitigation efforts, there is a need for bringing a wide spectrum of people and activists from national governments, relevant international organizations and civil societies to discuss these critical issues related to disaster risk management in OIC member countries. The third World Conference on Disaster Risk Reduction (WCDRR) in Sendai will provide an excellent opportunity for an open dialogue with all stakeholders and experts in addressing the challenges and issues related to disaster risk management in these countries, particularly in the field of capacity development.

II. CAPACITY DEVELOPMENT FOR DISASTER RISK MANAGEMENT

The rising costs of natural hazards disproportionately affect the poor and vulnerable in OIC as well as other developing countries. Natural disasters may have an enormous impact on social and economic welfare of affected countries. This impact is especially severe in low and middle-income countries, where governments often have inadequate resources to restore critical infrastructure and provide assistance to the affected people and private sector to recover their assets. If a state lacks resources to support its citizens, the vulnerable parts of the society will further suffer from disasters in terms of heightened poverty through loss of assets and income generating opportunities.

The poor are particularly exposed to natural disasters and have limited access to risk management instruments. This leaves poor households in a situation where they are less able to cope with the impact of disasters than more affluent citizens. Therefore, to prevent sharp increases in poverty in a country following a disaster, mechanisms should be in place to mitigate the potential impacts. Not only are the poor often the most severely affected, but disasters can be a major contributor to poverty. A World Bank study¹ based on 9000 household interviews in 15 developing countries found that natural disasters were considered to be the second most important reason (after health problems) of why people become poor.

While different OIC countries suffer from different types of natural hazards, with various frequencies and magnitudes, and man-made crises with distinct features, it is in fact their vulnerability to risks, or the lack of conditions and capacities for properly managing and reducing the risk of disasters. In OIC countries, almost all of natural disasters and their impacts (fatal, non-fatal, and financial) in low income countries

¹ World Bank (2009), *Building Resilient Communities: Risk Management and Response to Natural Disasters through Social Funds and Community-Driven Development Operations*, Washington, DC: World Bank.

during 1960-2010 took place in countries that are also identified as countries with low capacities for risk reduction. There is clearly no doubt that there is a real need for cooperation among all OIC countries, with assistance from outside, to offer a hand to the people and governments in these countries to reduce their vulnerabilities to natural disasters, and save lives.

Given the impacts of natural disasters on highly exposed developing countries, as well as on intermediary institutions that serve the poor, investments in response mechanisms and capacities are quite important. However, effective risk management of disasters requires, and involves, more than just a response mechanism. Reducing the risk of disasters requires viewing disasters as major barriers to sustainable socio-economic development, and managing the risks through investing in and enhancing the capacities for preserving the environment and ecosystems, eradicating poverty and inequality, appropriate rural and urban development, and improving the quality of governance, all of which contribute to vulnerabilities. Viewing risk of disasters as barriers to sustainable development necessitates the inclusion of a disaster risk management strategy as an indispensable and integral part of the overall development strategy, which has its roots in environmentally friendly socio-economic and political development and at the same time serves as the guardian of all developmental efforts and investments.

In this framework, the side event will focus on the issue of capacity development by particularly highlighting the issues of international cooperation for capacity development, data collection and information sharing, and risk financing for better protection.

a. Capacity Development and International Cooperation

Every stage of disaster management requires well-developed capacities at all levels to cope with the challenges of that specific stage. Capacity development is not only about transfer of knowledge and technical skills, but also enhancing capabilities to find the best solutions for a particular set of circumstances. The process of capacity development includes engaging stakeholders to the process, assessing the capacity needs, formulating and implementing a response and evaluating capacity development.

Capacities grow over time and evolve in different ways. It follows that capacity development approaches need to be highly contextual, iterative and flexible. Capacity development efforts can rarely be limited to technical dimensions. Capacity can be considered an end - a development outcome - in itself. Capacity provides the basis for making development policy choices, not only a means for achieving certain goals.

International cooperation is very crucial for effective disaster risk management and capacity development. Cooperation is not only about money. It is also about sharing of information, knowledge and good practices. Some countries are much more advanced within and outside the OIC membership, with regards to disaster risk management, while others are at the bottom. The countries at the bottom can learn a lot from those at the top edge.

b. Data Collection and Information Sharing

The role of information is crucial in effectively managing all types of emergencies and achieving orderly transitions from response to sustained recovery. Ability to quickly and appropriately respond, when required, relies foremost on effective information and knowledge management and sound analysis of disaster risks. Such ability will encompass various dimensions of disaster preparation, including needs assessment, resource mobilization and coordination, contingency planning, and early warning. In many cases, countries lack the capacity to collect the relevant data and monitor and evaluate the whole process, leading to the following general gaps:

- Lack of understanding on the level of exposure and vulnerability to potential hazards;

- Lack of comprehensive, inclusive and timely assessment of needs of the affected population;
- Ambiguity around population to be targeted and lack of clear definition of vulnerable groups;
- Lack of common key indicators and targets for the sector specific response;
- Lack of data for monitoring and planning of interventions;
- Inadequate level of monitoring and evaluation of quality and impacts of interventions

Therefore, maintaining up-to-date data on hazards and vulnerabilities, preparing risk assessments and using these as the basis for disaster mitigation plans, emergency response and post-disaster recovery are several key steps in disaster management. There is, however, a significant gap in capacity to collect and utilize data and information as well as sharing the knowledge on disasters. Accordingly, most government officials and citizens in disaster-prone OIC member countries lack knowledge of disaster risk management. Therefore, the role of training, education and awareness is critical to develop technical knowledge in disaster-prone countries.

c. Risk Financing for Protection of the Poor

A variety of risk financing and other financial tools have been developed to facilitate management of disaster risks. However, poor and vulnerable communities living in developing countries as well as the governments typically have little access to formal financing options for disaster risk management due to a range of market gaps and failures of formal market products. Combined with greater exposure to risks, this lack of access to effective risk management tools is a significant factor in what makes many poor communities and particular groups vulnerable in the first place. Consequently, individuals, communities, and even countries at risk to disasters are left with limited sets of coping mechanisms which often involve dramatic increases in high-interest debt and delay of development opportunities.

There have been a range of recent developments to improve access among poor and vulnerable communities to financing tools that promote resilience and reduce disaster risk as well as governments and development institutions. There are also efforts to promote savings and investment to strengthen resilience and to protect individual and community assets and resources through pre-disaster prevention and mitigation.² To better support developing country governments affected by natural disasters, some multilateral agencies such as the World Bank and the Inter-American Development Bank have created new instruments that provide developing countries with contingent credit that can be immediately accessed in case of an emergency. The Caribbean Catastrophe Risk Insurance Facility (CCRIF) provides an example where small island states acted together to create a regional reserve mechanism to secure access to immediate liquidity in case of a major disaster. Establishing similar instruments for the benefit of low-income OIC member countries could be considered under the Islamic Development Bank.

III. AIMS AND OBJECTIVES

Despite significant progress in many countries in lowering risks and improving disaster preparedness and response capacities, the expanding and accelerating exposure of people and assets to natural disasters in countries that lack appropriate capacities for reducing and managing such risks is alarming. A significant number of OIC member countries are low-income countries with insufficient technical and financial capabilities. In such settings, prioritization of actions in institutional capacity development remains a critical issue when resources are already limited.

In this framework, the side event aims to explore a number of issues related to capacity development including, among others:

² O'Donnell, I. (2009), Global Assessment Report – Practice Review on Innovations in Finance for Disaster Risk Management, ProVention Consortium

- Identification of critical issues for institutional and technical capacity development for disaster risk management in low-income disaster-prone OIC member countries;
- Actions to be taken to improve the capacities for disaster related data collection and information sharing;
- Roles to be played by international partners in capacity development;
- Roles to be played by NGOs in developing capacities at local level for better protection of poor;
- Possible mechanisms that can be developed by IDB and the member countries as part of their short as well as long-term financing strategy for disaster risk management.

IV. EXPECTED OUTPUTS

The SESRIC and IDB engagement in the conference is expected to mobilize actions on the part of OIC member countries in support of disaster risk management programs and sustainable development, particularly through prioritizing the needs of the member countries with respect to capacity development.

In this context, the side event is expected to provide the opportunity to intensify the efforts to consolidate partnership with relevant international governmental and non-governmental organizations as well as the development agencies and financial institutions, and community based groups to address the capacity development needs of the member countries.

V. FORMAT OF THE SIDE EVENT

The session will start with a presentation of the recent study prepared by SESRIC and IDB on managing disasters and conflicts in OIC countries. The rest of the event will be organized in a panel discussion format. The participants will discuss the role of capacity development for effective disaster risk management in low-income disaster-prone OIC member countries. There will be three key speakers from the member countries as well as relevant international organizations to deliberate on the issue of capacity development. After the panel discussion, there will be a wrap-up section to summarize the key outcome of the discussions. The participants will have the opportunity to make their final remarks at the end of the event.

VI. DATE, VENUE AND LANGUAGE

The side event will take place during the Third UN World Conference on Disaster Risk Reduction organized by UNISDR on 14-18 March 2014 in Sendai, Japan. The time and venue allocated by the organizers are as follows:

Venue: Tohoku University C205
Date: Tuesday, 17 March 2015
Time: 13:00-16:00

The presentations and discussions during the side event will be in English and there will no simultaneous translation to Japanese. The room allocated for the event has a capacity for 100 participants.

VII. PARTICIPANTS

All delegations of OIC Member States attending the 3rd WCDRR are invited to participate to the special session. Representatives of relevant NGOs, OIC institutions, international organizations, academicians as well as other relevant stakeholders are invited to attend the event to share their perspectives.