

**National Systems for Disaster Risk Management in the
Context of Governance:
Experiences with National Approaches in Latin America and
the Caribbean**

Janine Ferretti

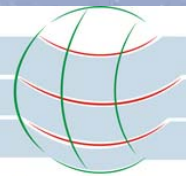
Inter American Development Bank

January 20, 2005

WCDR, Kobe, Japan



INTER-AMERICAN DEVELOPMENT BANK
BANCO INTERAMERICANO DE DESARROLLO

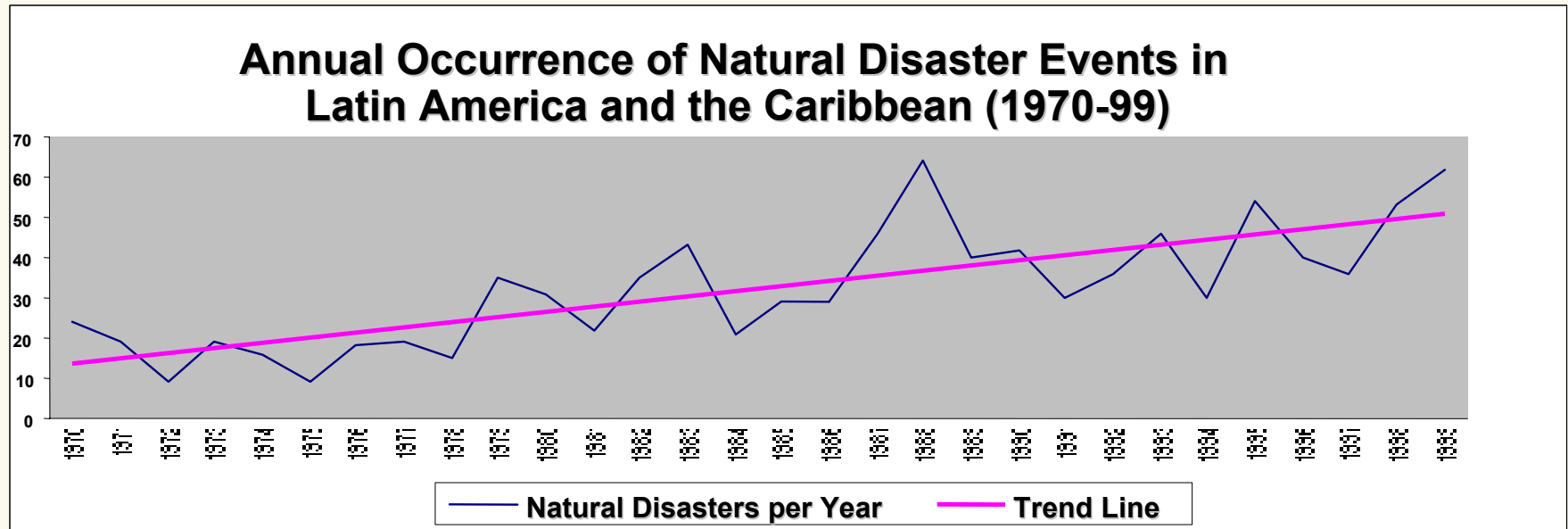


World Conference on Disaster Reduction
18-22 January 2005, Kobe, Hyogo, Japan

Risk Profile for Latin America and the Caribbean

Latin America and Caribbean have a high damage propensity from natural hazards and the tendency is increasing.

- Annual regional losses to disasters since 1975: 5,000 deaths; physical losses worth US\$3.2 billion; 4 million people affected.
- Few countries in the region analyzed in a recent IDB study has economic capacity to finance recovery from serious natural hazards

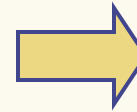
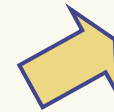
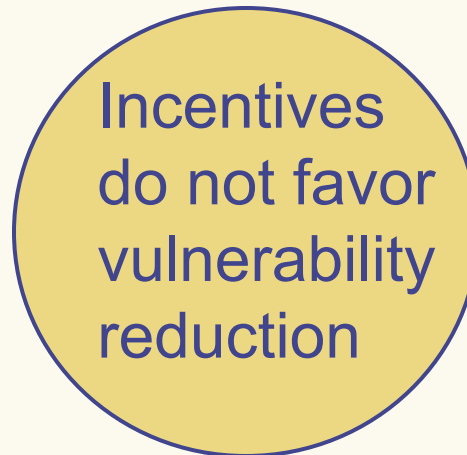
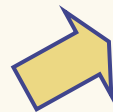
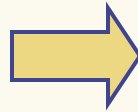


Governance of Disaster Risk in Latin America and the Caribbean

Disaster prevention is often considered a cost, not an investment

Donors assume part of the risk for the countries

Governments assume part of the risk of the private sector



Countries under-invest in reducing vulnerability

Risk is not transferred through insurance

Emphasis on response and not on ex-ante risk management

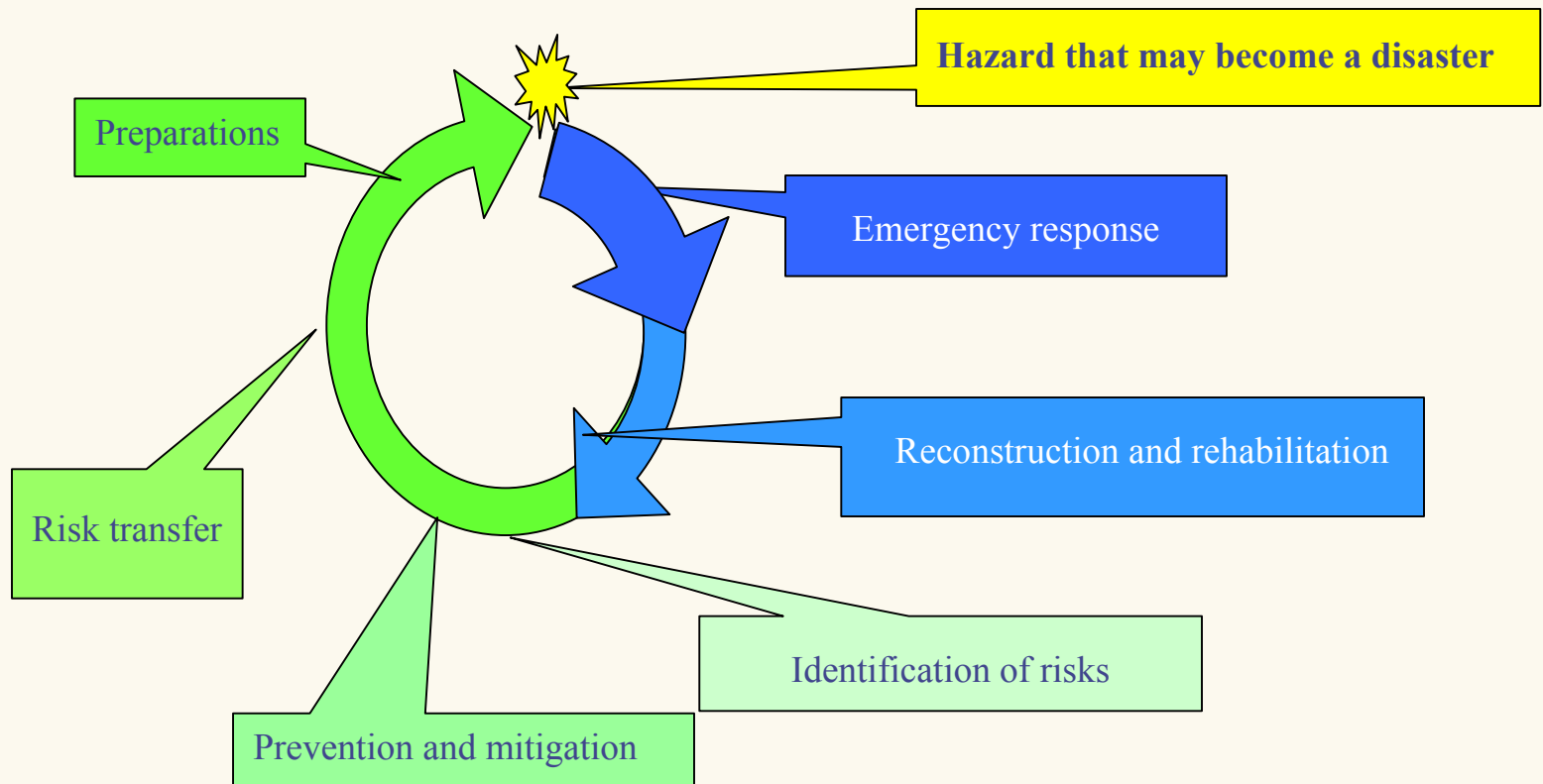


Comprehensive Disaster Risk Management

- Ideally incorporates prevention, emergency management and reconstruction in a balanced way
- Incorporates ministries of key sectors
- Promotes decentralization
- Is characterized by continuity in spite of political changes
- Requires the participation of civil society and the private sector with the objective to create a “culture of prevention”



Comprehensive Disaster Risk Management Systems

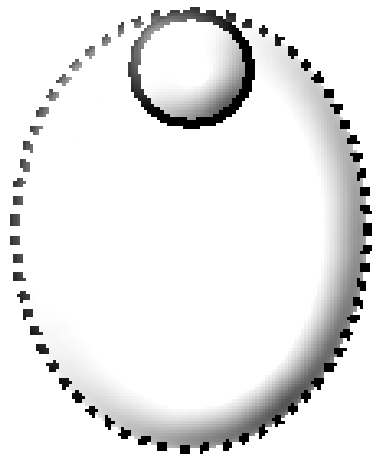


Mixed results of institutional developments

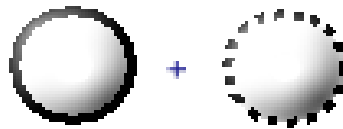
- **Most governments in the region still mainly rely on emergency response**
- **Some countries have begun a move towards more comprehensive approaches that include prevention and mitigation**
- **Decentralization and greater reliance on the private sector are taking place as part of the general modernization of the state process**



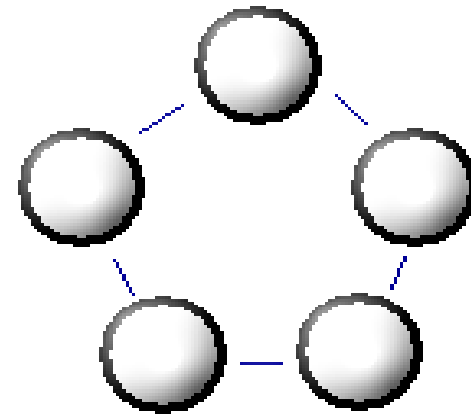
Three institutional approaches towards more comprehensive disaster risk management



**Amplify
existing
organization**



**Create new,
parallel
institution**



**Build a
network**



Key Success Factors

- Explicit and appropriate national disaster strategy
 - integrates with national policy on development and environmental protection
 - is based on vulnerability assessments
- Key players part of disaster risk management process
 - finance ministry, planning agencies
 - sector ministries: housing, public works, energy, agriculture, environment, health
 - local governments
 - private market actors
 - local community leaders, NGOs
- Provisions to ensure sufficient resources for key players to carry out their responsibilities
 - in decentralization, the municipalities should be allocated with the necessary resources

Windows of opportunity.

- common driver for change has been the occurrence of a major disaster



Key Challenges

- Institutional resistance to moving beyond emergency response – apparent in policy, legislation and programs.
 - Main challenge: find ways to promote risk mitigation in an institutional setting which now emphasizes emergency response rather than risk reduction.
 - Institutional changes require a champion to initiate and sustain the process.
 - Successful decentralization of risk management responsibilities will require an adequate allocation of resources to local governments
- Involvement of civil society and the private sector.
 - Limit the assumption of private sector risk by the government
 - Increase awareness and involve civil society and private markets in disaster management.
- Develop insurance markets and other ex-ante provisions for reconstruction financing.



Future governance of disaster risk



- The task facing policy makers today is to create an effective national system
- with a comprehensive vision,
 - that engages key ministries and senior government policy makers,
 - supports local decision making and initiatives,
 - and promotes the institutional conditions necessary for the constructive involvement of private-market initiatives, and civil society.





http://www.iadb.org/sds/ENV/site_2493_e.htm