



Prepared remarks by

**Katherine Sierra**

**Vice President, Infrastructure Network**

**The World Bank**

At the

**Third International Conference on Early Warning**

**(EWC III):**

**From Concept to Action**

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**(AS DELIVERED)**

Your Excellency, Dr. Steinmeir, the Federal Minister for Foreign Affairs,  
Madam Mayor, Bonn,  
Mr. Egeland, Under Secretary General for Humanitarian Affairs,  
Chairman, Excellencies, distinguished delegates  
Ladies and gentlemen,

It is my privilege to be here with you today to deliver this keynote address at the Third International Conference on Early Warning. The conference theme, “From Concept to Action”, is one to which I am particularly attached, and I would like to thank the German Federal Foreign Affairs Office, and the International Strategy for Disaster Reduction (ISDR) Secretariat, for inviting the World Bank to speak with you.

Ladies and gentlemen,

Losses from natural disasters are a severe threat to all of our efforts at poverty reduction in developing countries. At the World Bank, part of our work is to assess the economic impact of disasters. What we know is this: it is now clear that natural disasters can have long-term impacts on economic growth and development, especially in developing countries.

For countries at high risk of natural disaster, not integrating these risks in development planning makes economic projections unrealistic, and it makes meeting any poverty reduction goals much more difficult. This connection between disaster risk and economic growth, poverty, and planning makes disaster reduction a core development issue for all of us, including my own institution.

## **1. Recent Disasters and Lessons Learned**

As we all know, the past 15 months have brought stark evidence of what happens to people and property in and after natural disasters. But we have also learned some lessons:

- The Indian Ocean tsunami showed what happens when an effective early warning system is not in place. Events of this magnitude have happened in the past in other places around the world, and they will happen again. We cannot prevent them, but we can mitigate the risks and the consequences of such disasters.
- The devastating earthquake in south Asia showed us what happens to many fragile communities in developing countries who live in a constant state of recovery. They rely on “temporary relief” as a permanent strategy to cope with their situation. We need to change the balance between responding to disasters and helping in recovery. We need to increase development assistance and ensure that this support improves risk management strategies and capacities.

Ladies and gentlemen,

Natural disasters have the most severe impact on developing countries. Within those countries, it is the poor who are the most seriously affected. Poor communities are often forced to live on more fragile lands, and they have little or no resources to recover from disasters.

We know, however, that we can help in many areas, most importantly by raising awareness, setting up effective warning systems, and implementing effective measures to mitigate the risk – and the consequences – of natural disasters.

It is urgent to move ahead on this agenda.

Why must we act? According to a study by the World Bank and Columbia University, nearly one-fourth of total land area, home to more than three-fourths of the world's population, is subject to a relatively high risk of mortality from natural disasters. While the suffering of people would be great, the potential economic damage would also be enormous: more than four-fifths of global GDP is located in these areas of relatively high risk natural disaster risk.

Reducing this hazard risk is a huge development challenge and it demands greater attention from everyone: from governments, donors, international and regional organizations, experts, the private sector, civil society organizations, and the media. We all have a role to play so that disaster mitigation and preparedness is mainstreamed in national and local development strategies.

It is important to do all we can to protect people from the ravages of natural disasters. This is also important for all of us as we work toward the Millennium Development Goals. Reducing risk from natural disasters must be a part of our collective effort to achieve the MDGs.

Fortunately, there is a way ahead: it is for the development community to adopt an integrated risk management approach, and to move from concept to action in order to meet the objectives of the Hyogo Framework for Action (2005-2015) adopted at the World Conference of UN member nations at Kobe, Japan, last year.

## **2. Integrated Risk Management Approach**

Managing and reducing the impact of disasters requires a balanced risk management approach. This must be an integral element of sustainable development. The approach is based on three pillars: risk identification, risk reduction, and risk transfer.

- Risk identification has to do with analyzing hazards, risks, and vulnerability. It also means assessing the direct and indirect effects of disasters.
- Risk reduction includes more early warning systems, better land use planning, more enforcement of disaster-rebuilding codes, faster emergency responses and recovery planning, and enhancing the capacities of communities to cope.

- Risk transfer and financing includes insurance, catastrophe bonds, contingency financing, and safety nets, micro-insurance and other informal arrangements to spread the risks.

Together, we should help countries at risk to develop national risk management strategies based on these three pillars as an integral part of their national development plans and policies.

### **3. Activities of the World Bank**

Ladies and gentlemen, at the World Bank, we are contributing to help partner countries manage the risk of disasters.

When the World Bank was founded in 1944, we were named – (and this is still our legal name) – the “International Bank for Reconstruction and Development.”

Since then, the Bank has assisted many countries to repair and rebuild damaged infrastructure and institutions in post-conflict and natural disaster situations.

Disaster recovery and mitigation, therefore, is now one of the largest activities of the Bank with a portfolio of \$26 billion in 528 projects over the last twenty years. Putting together reconstruction packages for growth and economic development is a core expertise of the World Bank Group.

And, increasingly our Reconstruction projects are including prevention, mitigation and early warning systems. On the Early Warning agenda, we have supported locus early warning projects in Africa, cyclone systems in India, Flood early warning projects in Vietnam and drought EW projects in Africa.

The challenge is daunting and new tools are needed. In collaboration with Columbia University and the “ProVention” Consortium, we have pioneered work through a *Global Hotspots Analysis*. We identify countries with high mortality and economic risks. This allows the development community to benchmark programs and to establish priorities for Official Development Assistance. And it allows us to work with these countries to mainstream risk prevention and mitigation policies in development strategies.

We have identified 32 of these high-risk countries for attention in immediate phase. We have begun work, on a fast-track basis, to help them mainstream this issue in their Poverty Reduction Strategies and in Country Assistance Strategies, which serve as the basis of our relationship with them. We will collaborate with bilateral organizations, other UN agencies, other development banks, and civil society organizations in this mainstreaming effort.

In recent years, the Bank has also made a considerable effort to develop catastrophe risk transfer mechanisms in developing countries, and to establish partnerships with leading re-insurers. Insurance and re-insurance prices are highly sensitive to risk, and they act as the most reliable indicator of an appropriate risk management strategy. The Bank has funded a number of insurance initiatives under disaster-related projects and we are working on several innovative risk financing instruments to meet the specific needs of client countries.

What else are we doing to deliver speedy assistance for recovery while introducing prevention? We are simplifying our emergency assistance procedures to bring speed, flexibility, and innovation to meet the needs of our partner countries after a disaster.

And we are also training our staff more, and getting together Quick Reaction Teams (QRT) of disaster specialists for rapid deployment to assist our Country Teams in disaster-affected areas. This includes providing them the knowledge and tools they need to help move the agenda towards prevention.

Finally, with a view to accelerate mainstreaming risk reduction in development strategies, we hope to launch soon, **Global Facility for Disaster Reduction and Recovery**, a global partnership in collaboration with the ISDR System to strengthen global and regional partnerships and networks, and building knowledge and country capacities for disaster reduction in support of the implementation of the Hyogo Framework for Action (HFA),

#### **4. Early Warning Systems and Good Governance**

Now let me turn to focus on early warning system, the subject of our work over the next few days at this Conference.

Protecting its citizens from the threat of disaster has always been a traditional state function. Better risk management is one measure of good governance in these high risk countries.

With advances in research, with progress in hazard forecasting, with improvements in modeling, and with updated communication systems, it is now possible to provide very accurate, real-time warning of many natural disasters with minimum lead-time.

Yet this capacity depends on where you live: there are large variations in the knowledge and the practice of early warning systems in developed and developing countries.

The United Kingdom has estimated that some developed countries have spent hundreds of millions of dollars on scientific monitoring and forecasting of weather hazards, while some developing countries have been able to spend no more than a hundred thousand dollars or so.<sup>1</sup> We need to ask ourselves: should people be forced into a sort of “natural disaster roulette”, knowing that they may be victim of a natural disaster because there is no warning system for them, a warning system that other people in other countries take for granted?

Warning is an integral component of risk management. It is now well-established that good information and communication alone can save many lives and property in any disaster and, therefore, secure better development gains.

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<sup>1</sup> Postnote(May 2005, number 239) on Early warning for Natural Disasters by the Parliamentary Office of Science and Technology(UK)

An early warning system based on state-of-the-art modeling and forecasting, and supported by a strong communication and dissemination system, can provide timely, accurate, and reliable information to a vulnerable population for emergency preparedness and speedy response. These early warning systems, though, must be “people-centered”, not technology-oriented, if they are going to have the greatest impact in reducing the vulnerability of the poor.

## **5. Sound infrastructure for end-to-end early warning systems**

Ladies and gentlemen, I hope that you will agree with me: an effective warning system in any country requires sound infrastructure and institutions, and real capabilities to detect, model, and predict multiple hazards. An effective warning system requires credible risk and vulnerability assessments and information systems. And, it requires a guaranteed communication infrastructure capable of reaching everyone, through the last person in the chain of information.

“The Global Survey of Early Warning Systems”, launched today by Jan Egeland, will be an excellent reference document as we work together to plug the gaps in early warning systems through investments in technical infrastructure. This means investments in observations, communications, meteorological services, public preparedness; and other risk management efforts. I would like to complement the ISDR System for this outstanding piece of work

Building on the recommendations of this Survey, I would like to challenge us all to launch a strengthened and time-bound International Early Warning Program, in

support of national disaster risk reduction strategies and plans. The World Bank has begun to do its part in more than twenty projects in different regions to build national multi-hazard early warning capabilities. We will be happy to do more to respond to our clients.

In closing, let me remind you of the words of Rachel Carson, who in 1962 wrote “Silent Spring”, a landmark book that launched the modern environmental movement. She observed that “the human race is challenged more than ever before to demonstrate our mastery – not over nature, but over ourselves.”

Let us work together then, at this conference and elsewhere, not to master nature, for we can never do that. Let us work together to master our efforts ... and to serve the most vulnerable people in the most vulnerable countries of the world.

I thank the Federal Foreign Office of the Government of Germany, and the International Strategy for Disaster Reduction (ISDR), for organizing this Conference. I have no doubt that sharing our experiences, exchanging our best practices, and learning from our technical deliberations will stimulate action for concrete follow up. The poor of the world deserve no less.

Thank you very much.