



Economic and Social Council

Distr.: Limited
30 April 2013

Original: English

Economic and Social Commission for Asia and the Pacific

Sixty-ninth session

Bangkok, 25 April-1 May 2013

Agenda item 9

Theme topic for the sixty-ninth session of the Commission (2013): “Opportunities to build resilience to natural disasters and major economic crises”

Draft report

Opportunities to build resilience to natural disasters and major economic crises

1. The Ministerial Round Table on Building Resilience to Natural Disasters and Major Economic Crises focused on the policy challenges facing the region as countries dealt with multiple and converging shocks that posed increasingly complex threats to Asia and the Pacific. The panellists provided insights into how people, organizations, policymakers and institutions could work together to build systems of resilience based on their own experiences at the national and regional levels. The panellists were:

- (a) Honourable Richard Gordon, Chairman and Chief Executive Officer of the Philippine Red Cross;
- (b) Lieutenant General (retired) Nadeem Ahmed, former Chairman of the National Disaster Management Authority of Pakistan;
- (c) Mr. Rizal Ramli, founder and Chairman of the Advisory Group on Economic Industry and Trade (ECONIT), former Minister of Finance and former Coordinating Minister of the Economy of Indonesia;
- (d) Mr. Surin Pitsuwan, former Secretary-General of the Association of Southeast Asian Nations (ASEAN) and former Minister of Foreign Affairs of Thailand;
- (e) Mr. William Sabander, Deputy to the Head of the President’s Delivery Unit for Development Monitoring and Insight of Indonesia and former Special Envoy of the Secretary-General of ASEAN for post-Nargis Recovery.

2. The Executive Secretary served as moderator for the panel. In her opening remarks, she introduced the theme study, entitled “Opportunities to build resilience to natural disasters and major economic crises”, by emphasizing that Asia and the Pacific was the most disaster-prone region in the world. The Executive Secretary noted that impacts of economic crises were even more devastating, with economically and socially vulnerable people having experienced the most difficulty in coping with unexpected shocks imposed by

forces well beyond their control. While global financial crises, food and fuel crises and the consequences of natural disasters might seem to be unrelated, they were all shocks applied to the complex systems that interlinked social, economic and environmental factors. A single incident, which might once have been localized and managed in isolation, now had multiple and interrelated regional and global consequences. The Executive Secretary emphasized that building resilience to those interrelated threats called for government action that was designed and implemented through multi-stakeholder partnerships. A number of specific actions were recommended, including investment in prevention and preparedness, policies that balanced short-term macroeconomic stability with long-term development needs, the need for social protection, local community inclusiveness in decision-making, public-private partnerships and the need to protect critical sectors. She noted that regional cooperation produced solutions that were greater than the sum of the policy actions of individual countries.

3. General Ahmed shared his experience and lessons learned during the management and oversight of relief efforts during the 2005 earthquake and 2010 floods in Pakistan. He reiterated, as highlighted in the theme study, that the frequency and magnitude of disasters was rising and noted that with every shock, the capacity of developing countries to respond to disasters were reduced. General Ahmed emphasized that ex-ante disaster risk reduction must take priority over ex-post disaster response in the current development paradigm. He suggested that disaster relief assistance should be contingent upon mainstreaming disaster risk reduction into longer-term development needs. He called for social safety nets as a key component of disaster preparedness and observed that information and communications technologies were key tools for assessing disaster damage, identifying hazard and developing risk mitigation strategies. He described some of the initiatives undertaken by Pakistan in the area of disaster risk reduction, including national disaster risk reduction legislation, the creation of more practical building codes, land management requirements, local-level disaster management plans, capacity-building, early warning systems and mainstreaming disaster risk reduction into all government projects. As a best practice, the country had utilized national surveys to identify those most vulnerable during times of crisis in order to ensure that inclusive assistance programmes were developed and available in times of need.

4. The Executive Secretary requested Mr. Gordon to share with the panel how he had managed to build strong stakeholder participation support in the Philippines in order to address disaster risk reduction. She asked him to share his experiences as a leader of reforms that had promoted community resilience and ex-ante disaster prevention. Mr. Gordon emphasized that people must always be part of the change process and that social protection, along with the empowerment of people through their active involvement in local decision-making processes was an essential strategy for building community resilience. In the Philippines, practical action in disaster preparedness at the local level had been widely employed through tools, such as early warning systems, accessible emergency and first aid response, and disaster risk reduction planning. Mr. Gordon underlined that the Philippines was a country prone to frequent disasters. In that regard, a new law on disaster risk reduction empowered local government, civil societies and non-governmental organizations in disaster mitigation and put them in a more solid legal and financial foundation. During recent floods and typhoons in the Philippines, local communities had become far more involved in disaster preparedness, the private sector and civil society were paramount for the delivery of responses, and local governments had been given resources to spend on disaster risk reduction. Mr. Gordon also drew attention to the potentially higher impact of

disasters on urban centres with large populations and suggested that countries promote less highly concentrated urbanization as part of disaster risk mitigation.

5. Mr Ramli provided a brief overview of the policy responses to the 1997 financial crisis in Indonesia, Malaysia, the Republic of Korea and Thailand. He noted that monetary policy responses had varied across the region and observed that, during the height of an economic or financial crisis, countries should limit the spread of the crisis and apply solutions that took into account political, social and economic circumstances. Countries must analyse their own monetary and fiscal situation and prescribe solutions that balance short-term macroeconomic stability with long-term development goals. Mr. Ramli recounted the difficulties faced by Indonesia following the 1997 Asian financial crisis, which included, among other things, a liquidity crises faced by the banking sector, the detrimental impact of rising interest rates on enterprises and the social consequences of rising of prices. He also highlighted the enormous costs incurred by countries facing an economic or financial crisis, especially among the poor and vulnerable, and urged countries to implement policies that were aimed at ensuring that the burden was shared fairly among various groups.

6. Mr. Sabandar then discussed how Indonesia had learned from previous mistakes in disaster management, including during the 2004 Indian Ocean tsunami, which increased the urgency for setting up strong institutions on disaster management. Following that disaster, Indonesia developed a new framework for disaster management that had focused not just on emergency relief, but also on the need to mitigate losses to implement sustained recovery efforts and to prevent further damage from future disaster risks. He emphasized that disaster risk reduction needed to be part of development budgets, policy frameworks and national strategy. He underscored the importance of strong leadership in pushing forward the disaster risk reduction agenda.

7. The Indonesian Rehabilitation and Reconstruction Agency for Aceh and Nias, which was established following the 2004 Indian Ocean tsunami, had been given full authority for four years to coordinate among various relief agencies and the international community, and had been effective in building trust between the Government of Indonesia and the international donor community. Mr. Sabandar then explained how Indonesia had developed a legal framework to support and sustain post-disaster development and disaster risk reduction at the national and local government levels. Finally, Mr. Sabandar emphasized that community participation was critical for reconstruction and explained how involving local communities in village planning had enabled them to take charge of the recovery process and had contributed to long-term socioeconomic development.

8. The Executive Secretary asked Mr. Surin to share his views on how the Governments of Asia and the Pacific could work together to produce solutions that were greater than the sum of individual country responses. He stated that for every crisis there was an opportunity to grow, mature and collaborate, and that regional cooperation was extremely effective. He then shared his experience as Secretary-General of ASEAN at the time a groundbreaking tripartite partnership between the Government of Myanmar, ASEAN and the United Nations following Cyclone Nargis in 2008 had been established. He emphasized that Cyclone Nargis had provided an opportunity to build partnerships between Myanmar and the international community. Although ASEAN did not have the full range of technical expertise to deal with disasters of such scale, a number of international partners had been identified that had the necessary skills and resources. Through regional cooperation, those partners

were able to provide the necessary humanitarian aid to Myanmar. Mr. Surin also emphasized the importance of disaster risk reduction in building resilience and noted the considerable progress made by Bangladesh in that regard.

9. The delegation of the Islamic Republic of Iran noted the important role of advanced land use planning and building codes to mitigate the effects of seismic risks, and encouraged regional cooperation in order to build resilience in Asia and the Pacific. In that regard, the delegation noted that ESCAP was well placed to act as a regional platform for the exchange of good practices and experiences that had been developed at the community level.

10. The delegation of Bangladesh shared the experience of the country in building resilience to natural disasters, particularly cyclones, monsoon floods and recurring drought, and expressed its support for regional cooperation as a means of sharing experiences and good practices related to climate change adaptation and disaster risk reduction.

11. The delegation of Japan announced that the country would host the third United Nations World Conference on Disaster Risk Reduction in early 2015 in order to contribute to the formulation of an effective post-Hyogo framework for action.

12. The delegation of Indonesia underlined the importance of ensuring political commitment at all levels for building resilience to disasters.

13. The delegation of Myanmar expressed its appreciation to the international community for the assistance received during Cyclone Nargis, which had helped the country orient its future development strategies around regional integration.

14. The representative of the ESCAP Business Advisory Council noted the important contribution that an accountable private sector could make in addressing the issue of sustainable and inclusive development in the Asia-Pacific region. In that regard, the representative emphasized the role of the private sector in promoting more accountable business practices that reduced the impact of natural disasters, and underlined the need to find ways in which risk-ready businesses could support resilience-building measures.

15. The panel expressed appreciation for the relevance and the timeliness of the theme study, the high quality analysis of the twin shocks of disasters and economic crises, and the highly relevant policy recommendations contained in the study.

16. The Deputy Secretary-General, Mr. Jan Eliasson, delivered closing remarks and noted that, in the Asia-Pacific region and around the world, it was always the poor and vulnerable that were the most severely affected by natural disasters and economic crises. He underlined that there was no peace without development, that there was no development without peace, and that there would be neither of them without human rights. He stressed the need to plan for worst-case scenarios, and called on countries to build back better for improved preparation for disaster or crisis. He stated that disaster risk reduction should play an important role in the development agenda beyond 2015. In the current era of multiple shocks, which were spreading faster, and increasing in frequency and magnitude, the Deputy Secretary-General encouraged policymakers to mobilize resources at all levels of government and to reach out to the private sector, civil society, academia and the scientific community for multisectoral policy solutions.