A multi-stakeholder approach as a response to natural disaster

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Natural disasters

Map estimating the levels of exposure of the different countries to natural hazards
Occurrence of natural disasters

- Natural disasters have cost the global economy $2.5 trillion since the year 2000.
- Over a million deaths worldwide since 2004.
- Over two million people affected since 2004.

Haiti disaster 2010

- On 12th January 2010 a 7.0 magnitude earthquake hit Haiti, killing 235,000 people. A further 5,899 died from a cholera outbreak in October 2010.
- More than 1.5 million lost their homes
- Total donations pledged as of April 2010 alone (compiled by CBS News*): $14.9 billion
  - Including $4 billion from NGOs and charities, over $2 billion from the United States, and $8.75 billion for redevelopment from non-U.S. countries and world bodies
- Probably the most destructive natural disaster in modern times, when viewed in relation to the size of Haiti’s population and its economy.
- The Inter-American Development Bank (IDB) estimated the overall cost to be between $8 to $14 billion.

Haiti earthquake compared to other disasters

Deadliest natural disasters since 1970

<table>
<thead>
<tr>
<th>Rank</th>
<th>Country</th>
<th>Year</th>
<th>Description</th>
<th>Killed</th>
<th>Deaths per million inhabitants</th>
<th>Damages (US Millions, 2009)</th>
<th>Damages (% of GDP)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Haiti</td>
<td>2010</td>
<td>Earthquake</td>
<td>150,000</td>
<td>15,000 - 25,000</td>
<td>7,000 - 8,100</td>
<td>104% - 117%</td>
</tr>
<tr>
<td>2</td>
<td>Nicaragua</td>
<td>1972</td>
<td>Earthquake</td>
<td>10,000</td>
<td>4,046</td>
<td>4,325</td>
<td>102.0%</td>
</tr>
<tr>
<td>3</td>
<td>Guatemala</td>
<td>1976</td>
<td>Earthquake</td>
<td>23,000</td>
<td>3,707</td>
<td>3,725</td>
<td>27.4%</td>
</tr>
<tr>
<td>4</td>
<td>Myanmar</td>
<td>2008</td>
<td>Cyclone Nargis</td>
<td>138,166</td>
<td>2,836</td>
<td>4,113</td>
<td>n.a.</td>
</tr>
<tr>
<td>5</td>
<td>Honduras</td>
<td>1974</td>
<td>Cyclone Fifi</td>
<td>8,000</td>
<td>2,733</td>
<td>2,263</td>
<td>59.2%</td>
</tr>
<tr>
<td>6</td>
<td>Honduras</td>
<td>1988</td>
<td>Cyclone Mitch</td>
<td>14,500</td>
<td>2,506</td>
<td>5,020</td>
<td>81.4%</td>
</tr>
<tr>
<td>7</td>
<td>Sri Lanka</td>
<td>2004</td>
<td>Tsunami*</td>
<td>35,405</td>
<td>1,839</td>
<td>1,494</td>
<td>7.0%</td>
</tr>
<tr>
<td>8</td>
<td>Venezuela</td>
<td>1999</td>
<td>Flood</td>
<td>30,000</td>
<td>1,282</td>
<td>4,072</td>
<td>3.5%</td>
</tr>
<tr>
<td>9</td>
<td>Bangladesh</td>
<td>1991</td>
<td>Cyclone Gorki</td>
<td>139,252</td>
<td>1,232</td>
<td>3,028</td>
<td>6.4%</td>
</tr>
<tr>
<td>10</td>
<td>Solomon Islands</td>
<td>1975</td>
<td>Tsunami</td>
<td>200</td>
<td>1,076</td>
<td>n.a.</td>
<td>n.a.</td>
</tr>
</tbody>
</table>

*Indian Ocean Tsunami caused a total of 326,000 deaths over 12 countries.

n.a. Not available

Source: Authors' calculations based on EM-DAT and WDI databases.

The aftermath

- 5 years after the disaster still 85,000 live in crude displacement camps.
- Haiti still the poorest country of the Americas and one of the poorest in the world (10.32 million inhabitants).
- At least 200,000 people living in the hillside slums with no running water, electricity or sanitation.
- A striking 59% of people live under the national poverty line, $2.42 per day and 24% live under the extreme poverty line, with only $1.23 per day.
- **So where did the money go?**

  “You have donors disburse money, but that doesn’t mean all that money is spent on the ground [...] If the expectation was to build back better and transform Haiti’s public sector, then yes, by any measure it’s been a failure.” - Jake Johnston of the center of Economics and Policy Research
What does basic aid cost?

- Simple bamboo housing costs max $1,500 and lasts at least 5 years. For $4,000 it is possible to build a sustainable bamboo house.
- Water filter systems preventing most waterborne diseases can cost around $8 for 5 person family for over 1 year.
- A total package with family-sized high tent, thermal blankets, waterproof covers, 2 water containers, cooking pots and pans, two mosquito nets, soap, tools, survival items, etc costs $665.
- Emergency food packages for 275 servings cost $150

→ What went wrong in Haiti?

Why Haiti response was a disaster on its own

- The building of T-shelters costing $138.8 per square meter intended to remain a few years, although permanent shelters could have been built for $166 per square meter
- Low percentage of donations went to the government and only 0.4% of donations went to local NGOs
- Conflict arose between the Haitian government and international organizations over disaster relief
- The majority of funding was used to fund foreign contractors instead of the Haitian government or local entrepreneurs.
- Examples:
  - USAID’s housing program costs rose from $59 million to $97 million while cutting the goal from 15,000 houses to 2,649.
  - At one point, $22 million was spent to build a teaching hospital with 300 beds capacity.
Involve Industries As Part of Multi-Stakeholder Strategy in Future Natural Disasters

- **Use Corporate Social Responsibility (CSR) as angle** to ensure participation of local businesses in a possible disaster. Have them join with foreign companies. Industry sponsored social development conducted as a win-win could be beneficial for both business and the rest of society.

- **A Public Private Partnership (PPP)** provides optimal chances to ensure efficient and sustainable response in case of natural disaster.

- **Combining both Private and Public efforts to address a natural disaster in a prepared and structured way would result in better efficiency, sustainability and social development; this should result in immediate jobs and thus self reliance and participation of the community.**

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**CSR**

*CSR starts where all existing laws and regulations end; it is an organic link between enterprising, profit-making and social development that is conducted as a win-win solution in areas where a company requires something from society that cannot be bought and requires investment through a double business plan.*
Multi-stakeholder approach

Who needs to cooperate?

- National/regional government, both foreign and domestic industries, multinational/international organizations, foreign/domestic NGO’s and both foreign and domestic/local industries.

Why?

- Tierney (1985) and De Crisis Karavaan (...): “Many people trying to do quickly what they do not ordinary do, in an environment with which they are not familiar". … "………. ."
- It is required to optimize local knowledge, local participation, local benefit through local/non local structured organization.

An example of the multi-stakeholder approach

The system of response in Florida has been studied to establish the ability to respond to disaster including through the local network. They managed with relative control and composure the four hurricanes that hit them in six weeks time, in 2004.

The importance of public private cooperation is clearly represented considering 35% of the organizations involved were private and 27% were private and profit based.
Preparedness to natural disaster

- In disaster prone areas UN and national bodies must convene PPP/Industry and business preparedness and cooperation on the basis of their CSR strategies.
- Emergency professionals of both Govt and Industries must be involved and devise joint strategies and roadmaps.
- Roadmaps must be regularly exercised on a multi-stakeholder basis.
- Roadmaps must include longer term approaches so as to avoid wasting of donations.

Alignment ODA/CSR per Project

- ODA
- Foreign/Domestic Industries
- National/Regional Governments
- Joint and Structured Road Map incl Locals
- Multinational/International Organizations
- Foreign/Domestic NGOs
Emergency Assistance through Industrial Cooperation/ODA Support:
Lessons from Pakistan, Yogyakarta, Tasikmalaya, Aceh, Sichuan, Yamada Machi

- Natural disasters cannot be stopped but can be prepared
- Stop building non-earthquake resistant public buildings/houses (law?)
- Aid communities do not necessarily create sustained solutions; they often seem to compete rather than coordinate/cooperate
- Local entrepreneurs are the last to leave and the first to return to emergency areas
- Re-tool and re-fund local entrepreneurs: leads to employment/income/food/shelter/healthcare/education/training
- Industrial alliances per industrial sector with ODA/UN/(inter)national/local initiative can promote early practical results on a sustained basis

Community home Aceh

- After the 2004 Tsunami in Aceh: purchased land, built community home with all required industries (incl. health centre, dentist, econ recovery, child care) for over 1,000 IPS incl. 250 ‘lost’ children; 4 years of recovery operations, locally led
- Close cooperation with local businesses, religious groups, local leaders
- Created micro finance, farmers’ collective, new tech, new products, new markets – full employment
New school in Tasikmalaya

Following ‘the usual earthquake in Indonesia’, this time (2007) damaging Tasikmalaya, South West Java, multi-stakeholder cooperation (hotel, industries, PA) led to a new school building in Cikalongtan

Child care center Yamada Machi

• Following the tsunami and earthquake in Japan, particularly flattening Yamada Machi, food/banking/construction /PA and other industries immediately assisted with targeted nutrition, transport, and went on to build and equip a child care center
Expert Statements:

- **Transformational change requires multiple stakeholders.** **UNICEF** engagement in multi-stakeholder partnerships and broader United Nations initiatives, especially at country level, shows that transformational change is achieved by bringing a range of actors together to tackle a specific development challenge or bottleneck. (Leila Gharagozloo-Pakkala)

- **Our work has shown that a multi-level, multi-sector, multi-stakeholder approach is imperative** in order to effectively align national climate goals and sustainable development objectives. (UNDP)

- **“Governments, the private sector and civil society should be equal partners when it comes to designing and building our societies of tomorrow”.** Renate Bloem, Conference of NGOs in Consultative Relationship with the UN

Conclusion I

- Preparedness through Structured Multi-stakeholder Strategy and Road Maps at national, regional and local levels including through industrial Corporate Social Responsibility ‘Window’
- Multi-stakeholder Training and Education
- Multi-stakeholder Equipment/Instrument/Subsistence Identification
- Multi-stakeholder Communication
  - **Leading to Multi-stakeholder Disaster Management**
Conclusion II

• Prepare and Execute Multi-stakeholder ‘Elite Poll’ – global, national, regional level
• Prepare Elite Poll based Global and Regional Meetings
• Request/Agree Commitments at All Levels
• Establish Multi-stakeholder Preparedness Programming
• Develop Multi-stakeholder Road Maps

Conclusion III

• Have the courage to plan for and execute resource sharing
• Prioritize (keep stocks) of cheap water filters for safe water consumption that does not require cooking
• Prioritize (keep stocks) of cheap yet badly required nutrition (vitamins, minerals)
• Prepare for the psychological and other support for children – particularly orphans/single parents
• Use open book keeping through Internet
Thank you very much for your attention!

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Sources

- Centre for Research on the Epidemiology of Disasters (CRED)
- Statement of Leila Gharagozloo-Pakkala. Director, Private Fundraising and Partnerships Division. 11-14 September 2012.
- Renate Bloem, Conference of NGOs in Consultative Relationship with the UN