



Analysis to Action:

An Executive Education Program on Disaster Risk Finance in Africa

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Stellenbosch University



Analysis to Action: Training on Crisis and Risk Finance

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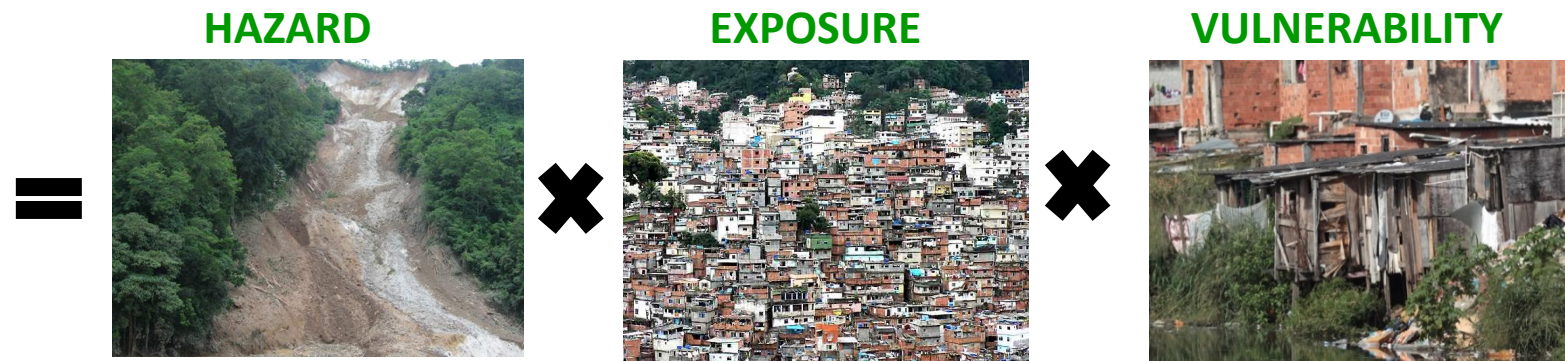
1. Context

- **Natural Disasters have a huge pressure on the development and reduce the chance of the attainment of SDGs, Agenda 2063 and the Paris Agreements. If at Global and Continental level we want to reach the objectives of these Agenda, we (all actors including National level) need to have strong commitments.**
- **African regions have made progress in Disaster Risk Management (DRM) but disasters continue to have a negative impact on its communities.**
- **Common hazards that trigger disasters include droughts, floods, cyclones, earthquakes, epidemics, as well as environmental degradation and technological hazards.**
- **With expected increase in Climate change and variability, the frequency and intensity of hydro-meteorological hazards could increased exponentially.**



2. DEFINITION OF CONCEPTS

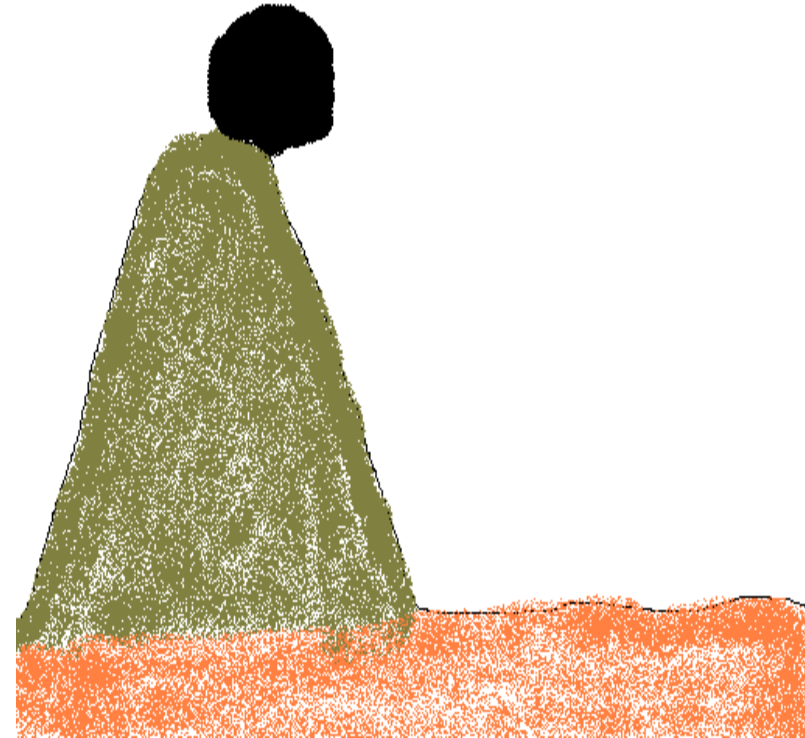
Risk





Hazard

A process, phenomenon or human activity that may cause loss of life injury or other health impacts, property damage, socio-economic or environmental disruption





Vulnerability and Exposure

Vulnerability:

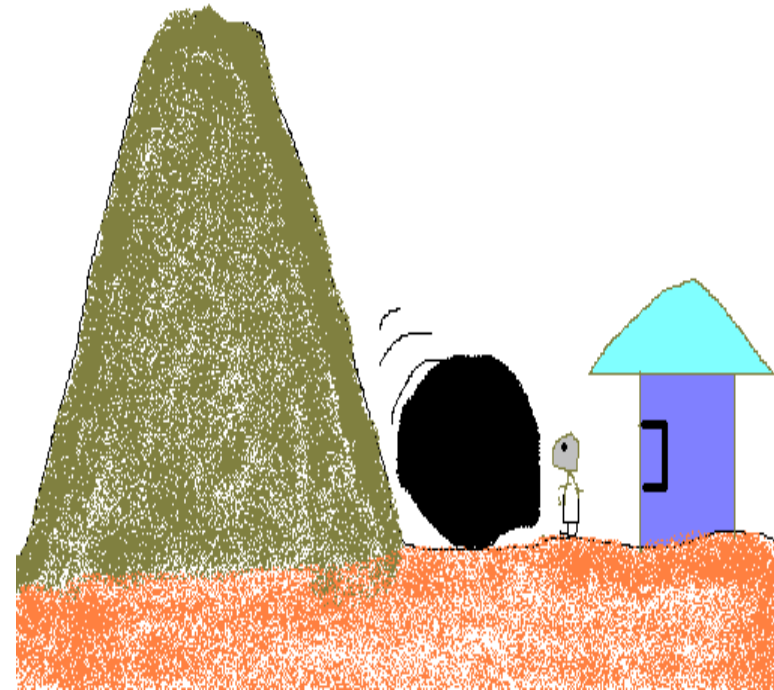
Set of characteristics and circumstances of a community, system or asset that make it susceptible to the damaging effects of a hazard.





Disaster

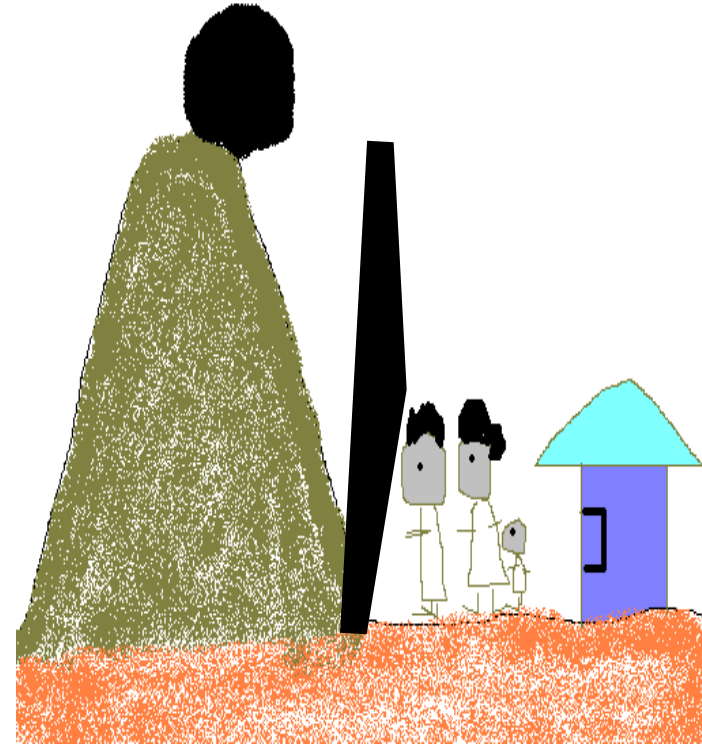
A disaster can be defined as "a serious disruption of the functioning of a community or society involving widespread human, material, economic or environmental losses and impacts, which exceeds the ability of the affected community or society ... (UNDRR)





Resilience

Ability of a system, community or society exposed to hazards to resist, absorb, accommodate and recover from the effects of a hazard in a timely and efficient manner.





Disaster Risk Management (DRM)

Rethinking how disasters are paid for is part of a cultural shift in managing risks and crisis

Pillar 1: Risk Identification

Improved Identification and understanding of disaster risks through building capacity for assessments and analysis

Pillar 2: Risk Reduction

Avoided creation of new risks and reduced risks in society through greater disaster risk consideration in policy and investment

Pillar 3: Preparedness

Improved capacity to manage crisis through developing forecasting and disaster management capacities

Pillar 4: Financial Protection

Increased Financial resilience of governments, private sector and households through financial protection strategies

Pillar 5: Resilient Recovery

Quicker, more resilient recovery through support for reconstruction planning



Disaster Risk Finance is one component of a comprehensive approach to risk management



Financial protection complements, but does not replace, risk reduction and resilience measures



3. Disaster Management cycle



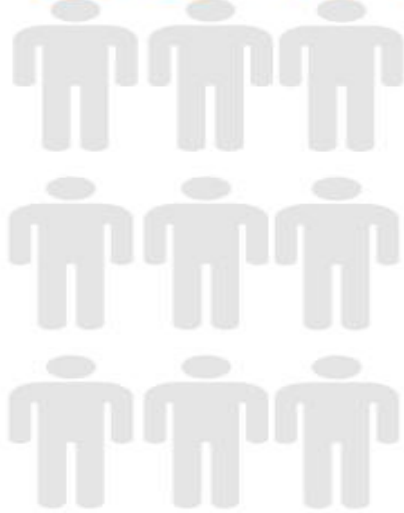


4. Disaster and Development



Africa has contributed the least to global warming, and yet the continent is already experiencing some of the most devastating impacts

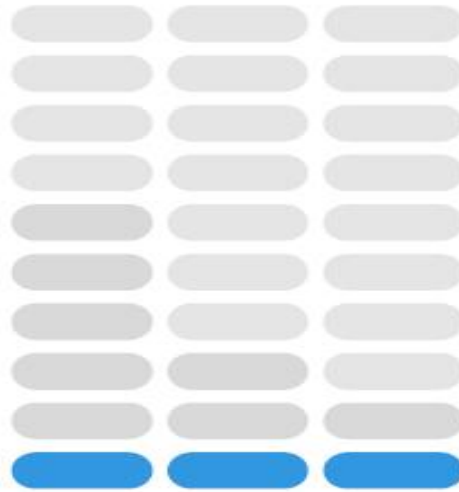
86 M



Climate Migrants

The number of climate migrants could reach 86 million by 2050, compared to 40 million in South Asia. It could be reduced by more than 80% under a climate friendly scenario.

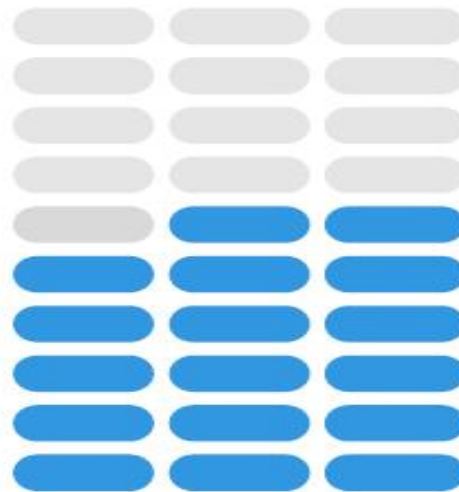
10%



Crop Production

Even if warming does not exceed 2° C, Africa can expect a reduction of 10% in crop production and 40-80% in cropping areas by 2050.

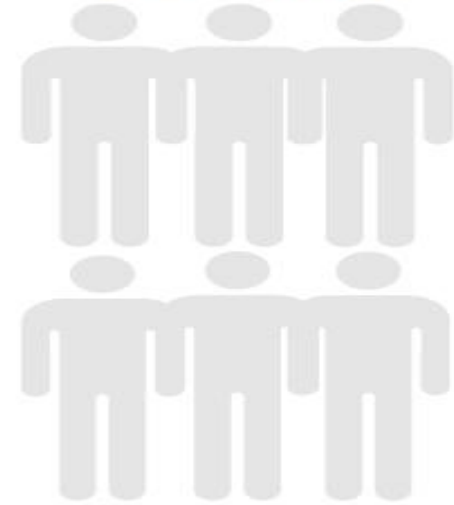
55%



Stunting

Also, a 15-65% increase in undernourishment, with the most significant increase of 31-55% for severe stunting by 2050.

43 M



Poverty

43 million additional people pushed below the poverty line by 2030 in Africa as a consequence of climate change.

5. How Disaster Risk Reduction evolved over time?



DRR has its root in Humanitarian Assistance

1971: UNGA
Res.28/16:

Creation of the **United Nations Disaster Relief Office (UNDRO)** to: promote the study, prevention, control and prediction of natural disasters, assist in providing advice to Governments on pre-disaster planning, improve national disaster warning systems

1990: International Decade of Natural Disaster Reduction

The UNGA recognizes the importance of reducing the impact of natural disasters for all people, and in particular for developing countries and to designate **the 1990s as a decade** in which the international community, under the auspices of the United Nations, will pay special attention to fostering international co-operation in the field of natural disaster reduction

1994: Yokohama Strategy and its Plan of Action on Disaster Reduction

Adopted at the World Conference on 23-27 May, 1994, Yokohama, Japan

2000: International Strategy for Disaster Reduction:

ISDR was created as the international community was increasingly aware that natural disasters are a major threat to social and economic stability and that disaster prevention is the main long-term solution to this threat. The biggest challenge of the Decade lies, therefore, in the creation of a global culture of prevention.



Established under the direct authority of the Under-Secretary-General for Humanitarian Affairs. ISDR becomes later on UNISDR (United Nations Office for Disaster Risk Reduction) and to day UNDRR.

2005: Hyogo Framework of action (2005-2015): building the resilience of Nations and communities to disasters, adopted by the World Conference on Disaster Reduction, held at Kobe, Hyogo, Japan, from 18 to 22 January 2005

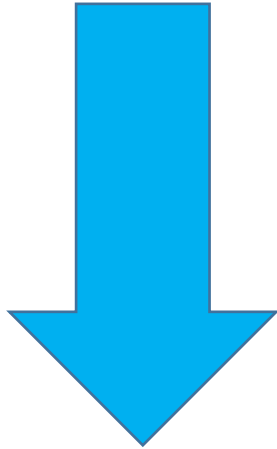
Sendai Framework for Disaster Risk Reduction (2015-2030): *Adopted in Sendai Japan in March 2015, it has 4 priority areas.*

Priority 1: Understanding disaster risk.

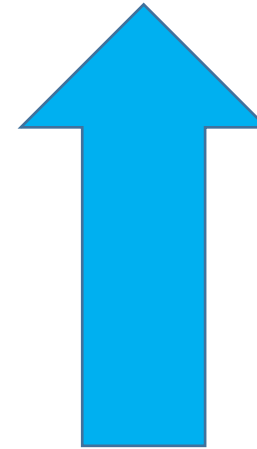
Priority 2: Strengthening disaster risk governance to manage disaster risk.

Priority 3: Investing in disaster risk reduction for resilience.

Priority 4: Enhancing disaster preparedness for effective response and to “Build Back Better” in recovery, rehabilitation and reconstruction.



- **Disaster death**
- **Number of affected people**
- **Economic losses**
- **Damage to critical infrastructure and disruption of basic services**



- **Number of Countries with national and local DRR strategies**
- **International cooperation to developing countries**
- **Access to multi-hazard Early Warning Systems and disaster risk information and assessments**



At Continental Level



- ❖ 2004: Africa Strategy for Disaster Risk Reduction adopted Implemented through a PoA aligned with HFA 2005-2015.
- ❖ Africa Programme of Action for the Implementation of Sendai Framework for Disaster Risk Reduction 2015-2030
 - Fosters the implementation of the Africa Regional Strategy for Disaster Risk reduction and contributes to attainment of the global targets of the Sendai Framework in Africa.
 - It has 4 priorities (the same of SF) and comprises of 12 targets (5 Africa specific targets and the 7 targets of the Sendai framework)



The 5 Africa specific targets are:

- 1** Increase the number of countries with Disaster Risk Reduction integrated in their educational systems at all levels
- 2** Increase integration of Disaster Risk Reduction in regional and national sustainable development, and climate change
- 3** Expand the scope and increase the number of sources for domestic financing for Disaster Risk Reduction
- 4** Increase the number of countries with, and periodically testing, risk-informed preparedness plans, and, response, and post-disaster recovery and reconstruction mechanisms
- 5** Increase the number of regional networks or partnerships for knowledge management and capacity development, including specialized regional centers and networks



6. RISK FINANCE INITIATIVES IN AFRICA

At the Global level
United Nations



GFDRR/World Bank: Support countries



GFDRR

Global Facility for Disaster Reduction and Recovery

At continental (Africa) level:

➤ African Risk Capacity:



➤ ADRIFI:



GRUPE DE LA BANQUE AFRICAINE
DE DÉVELOPPEMENT
AFRICAN DEVELOPMENT BANK GROUP



African Union Development Agency (AUDA-NEPAD)





7. Reflection and way forward

- Disasters do not know any boundaries. Also, solidarity and cross-border collaboration are needed for better management of cross-border risks and disasters. The examples of cyclones Idai and Kenneth should be lessons for innovation in this area.
- In other words, States sharing the same boundaries are urged to take joint initiatives for the management of these issues. MoUs can be signed between States, joint simulation exercises are also important, to allow for joint and well-coordinated interventions.
- Development of Trans border Early Warning System between Member States.
- African Union Commission urge AU MS to align their DRM policy with the PoA for the implementation of Sendai Framework 2015-2030 for DRR in Africa, which is already dealing with all these aspects.



I THANK YOU

Disaster Risk Financing & Insurance Program



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