

## How Disaster Risk Reduction Investment Account for Development

#### Arkhom Termpittayapaisith



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## Risk prone area in Asia Pacific

#### 85% of people exposed to earthquakes, cyclones, floods and droughts live in developing countries

In the past 10 years, the average disaster damage cost account for 30-190 US\$ million of which 60% is in developing country.

Source: Gill, I, and H. Kharas, An East Asian Renaissance: Ideas for Economic Growth (World Bank, 2007)



## 2011 Thailand Flood

In 2011, Thailand encountered with the worst floods crisis in 70 years due to heavy and widespread rainfall in major areas of the country during rainy season influenced by monsoon storms. The worst floods were in October and November, causing tremendous losses to people and affecting the economy.





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## 2011 Thailand Flood: Impact on GDP



In the fourth quarter of 2011, Thai economy contracted by 8.9% compared to a 3.7% growth in the third quarter, mainly due to severe flood during October – November 2011.

The flood damages in agricultural, manufacturing and service sectors affected in the reduction of 328,154 Mil. Baht of Thailand's GDP (current price) and contributed to 3.7 percent decrease in economic growth. As a result, Thailand's overall economic growth in 2011 recorded merely 0.1 percent, which was lower than the initial estimated growth of 3.8 percent.

## Flood Damages : Social Impacts

#### Summary of Damage and Losses in Social Sector



**Damage:** 1.96 million houses were affected, about 19,000 of which were totally damaged. Total damage is estimated at 45.9 billion baht.

Losses: approximately 37.9 billion baht

**Education Sector** 

**Housing Sector** 



**Damage:** 2,934 educational institutions were fully or partially damaged. Around 1,435,378 students were affected. Total damage is estimated at 13.1 billion baht.

Losses: approximately 1.8 billion baht

**Cultural Heritage** 



**Damage:** More than 500 historical sites were damaged. Religious authorities & communities reported damage to 1,532 of their temples and support buildings. Total damage is estimated at 4.4 billion baht.

Losses: approximately 3.1 billion baht

Source: World Bank

## Thailand Responses to 2011 Flood Crisis



## Lesson Learned from 2011 Flood

Beside from budgeting, water resource management must take into account:





## Conceptual Framework for Next Phase of Water Management



#### **Integrated Approach**

Water resource management of the country needs an integrated approach, with all relevant agencies working together through an efficient management mechanism.

#### Benefits to people and country as first priority

Effects the projects have on the people needs to be taken into account, such as people's relocation, occupation, and income.

Conceptual Framework

#### Creating understanding

Project implementation needs to inform stakeholders about relevant information prior to and during implementation with simple and straight forward language.

#### **Clear direction on management**

Short-term, medium-term, and long-term plans are needed (1-year, 5-year, and 10year plans) with clearly stated objectives and the activities and implementation in each year, as well as public relations to ensure information dissemination.

## **Direction** for the Next Phase



ONOMIC AND SOCIAL EVELOPMENT PLAN

#### Restructuring of water resource management approach

National Council for Peace and Order (NCPO) laid down a new structure for water resource management, with a clear and concise chain of command, covering all relevant areas, so that water resource management will be integrated and efficient.

### Integrated water resource management

Prioritizing water resource management projects to be in line with the 11<sup>th</sup> National Economic and Social Development Plan (2012-2016) and to ensure that the Thai people will benefits the most. Moreover, selected projects must be ready and do not cause financial obligation for future governments. Management of water resource at a country and a basin level will be coordinated.



# **Mainstreaming** of DRR with National Development Plan

#### Disaster risk reduction

a broad approach, which includes all action aiming to reduce disaster risks. DRR, therefore need to be addressed as a National Agenda. Thailand's NESDP has continuously emphasized the importance of DRR

The 10<sup>th</sup> National Economic and Social Development Plan (2007-2011)

"Upgrade disaster management and prevention system ... develop an advance alarming system, emergency rescue and impact prevention"

Develop a Disaster Prevention and Mitigation Plan The 11<sup>th</sup> National Economic and Social Development Plan (2012-2016)

#### Respond to natural disasters





Local Authorities

National & International Organizations

## Disaster Management in Thailand

**Trend of Budget Allocation**: After severe flood in 2011, Thai government has allocated more budget on disaster management including recovery, restoration and prevention, with approximately 5 percent increase annually during Fiscal Year 2010-2014. Key projects in 2014 include construction of river bank prevention dam for preventing flood and soil erosion, construction of flood prevention system in major communities, flood recovery and restoration in flood-hit area, and development of warning system and disaster prevention

**Technical assistance:** JICA conducted a study on The Comprehensive Flood Management Plan for the Chao Phraya River Basin. Now asking TA from JICA on Disaster Risk Management and Business Continuity Plan (BCP) is in the process



**Budget on Disaster Management** 

Fiscal Year 2014 budget allocation for disaster management classified by government organization



# Thank you

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