

Building Resilient Communities: Social Fund Response to Natural Disasters

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What are Social Funds?

- Social Funds/CDD operations represent a large portfolio for the Bank – USD 14 billion globally
- Government agencies that finance small scale, demand-driven projects in a variety of sectors (e.g., primary schools, health posts, water projects etc.)
- Use community-driven approaches where local actors (communities, local governments, NGOs etc.) identify, implement and manage investments;
- SFs proven to be “amongst most flexible and innovative instruments” for responding to natural disasters. (IEG 2006)

Example from Pakistan

8th October 2005

- 7.6 Richter scale earthquake hits Azad Jammu Kashmir and parts of NWFP
- 80,000 dead; 100,000 injured;
- 650,000 houses destroyed;
- Over 4 million homeless
- Women and children largest share of victims

Pakistan Poverty Alleviation Fund (PPAF) Response

- World Bank supported social fund operation - one of the first agencies to respond;
- PPAF “disaster relief centers” operational **one day** after earthquake with USD 5 million in initial financing;
- Provided immediate relief support to over 2,000 communities;
- Additional resources mobilized and rapidly disbursed to affected areas (USD 220 million disbursed to affected households);
- Damage assessment covered 122,000 houses (every beneficiary recorded/every house owner photographed)
- PPAF supported communities better organized and more effective in reacting/helping each other during the crisis.

Social Funds/CDD operations have already responded across the Globe

- Honduras Social Fund (Hurricanes)
- Nicaragua Social Fund (Hurricanes)
- Malawi Social Action Fund (Drought/Floods)
- Madagascar FID (Cyclones)
- Indonesia KDP (Tsunami)
- Philippines Kalahi (Cyclones)
- Vietnam CDD Program 135 (Floods)
- Pakistan PAF (Earthquake)
- Sri Lanka North East Agriculture and Irrigation Project (Tsunami)

Why are Social Funds Proving Effective for Disaster Management?

- Already established and working in-country;
- Most Bank-funded projects operate at national level - SF/CDD works at national **and** local levels;
- Primarily focuses on building community capacity in both disaster risk reduction and response;
- Presence in poor, often difficult to reach communities across the country;
- Engaged in construction/civil works – so expertise readily available;

Why are Social Funds Effective for Disaster Management?

- Streamlined, flexible procedures including for procurement and disbursement;
- Proven, efficient management practices;
- Effective public awareness campaigns already in place;
- Sound M&E systems (baseline data/costs, participatory monitoring, etc.);
- Able to coordinate across several partners: donors, govt. agencies, private sector, NGOs;
- Able to incorporate lessons into long-term development strategies;

Going Forward

- Social Funds/CDD increasingly used as a tool for disaster risk management.
- But DRM still a new area of work for SFs.
- Important to ensure that SFs do not work on disasters in isolation – re-inventing the wheel each time.
- SFs need to become more proactive/strategic rather than reactive; and
- Global lessons need to be systematically absorbed and disseminated.

What have we done so far?

- Key WP deliverables:
 - Developed Toolkit on “Community-based Disaster Risk Management” incorporating lessons from several case studies;
 - Organized BKK Global Workshop.
 - Brought together - for the first time - key stakeholders (e.g., Bank staff, clients, and humanitarian NGOs, from across the globe);
 - Promoting dissemination of lessons across regions.
- Next Up: presentation of two case studies (Pakistan and Malawi), and the toolkit