Workshop on Enhancing Public Sector Partnership (PSP)
and Disaster Risk Reduction (DRR)

Enabling environment needed for disaster risk reduction, says Kiren Rijiju

NEW DELHI, August 24, 2015. To save the precious lives of more than 4,500 people who succumb to natural disasters every year in our country a multi-party coordinated effort is absolutely necessary. This was the general refrain of a one-day workshop on private sector partnership in disaster risk reduction which took place on August 24.

Inaugurating the workshop organized jointly by the Ministry of Home Affairs, USAID and UNDP in collaboration with FICCI, the **Minister of State for Home Affairs, Mr. Kiren Rijiju**, said though considerable progress has been made in the direction of developing capacity for mitigating the impact of natural disasters a lot remains to be done. The minister said that he was conscious of the fact that it was the responsibility of the government to create an enabling environment for disaster risk reduction in the country and develop an efficient delivery system. All efforts are being made in this direction, he said. He also stressed the need for all stakeholders – government, private sector, non-governmental organizations and community - to work as a team to reduce the loss to life and property caused by natural disasters.

Among others who addressed the workshop were **Mr. Michael Pelletier**, Deputy Chief of Mission, Embassy of United States; **Mr. Yuri Afanasiev**, UN Resident Coordinator and UNDP Resident Representative in India and **Ms. Margareta Wahlstrom**, SRSG for DRR and Head, UNISDR. The speakers emphasized the point that natural disasters have a chain reaction on economy. When population migrates from the affected area, the market size is reduced which in turn reduces cash flow. Reduced cash flow then leads to a cutback in staff strength which leads to reduced employment opportunities. This in turn makes the population leave the affected area which means the business also leaves the scene of natural disaster.

The speakers were of the view that the corporate sector depends on community at large for sustenance. Community is not only as a source of labour, capital and material but also a market for products and services. If the community life is destroyed by a disaster, the lifeline of the corporate gets threatened.

However, natural or even manmade disasters not only have financial impact on individuals, businesses and insurers but also on the public sector which is responsible for undertaking relief efforts as well as rebuilding public infrastructure. The participants said disasters directly affect business performance and undermine long-term competitiveness and sustainability. In developing countries with less financial resources, a catastrophic event can result in higher public deficit and debts.

Four parallel sessions discussed various aspects of the issue. While the sessions on IT sector and disaster management chaired by **Mr. Sunil Raghvan**, Programme Director IBM, mostly discussed the building of an early warning system, the session on disaster risk reduction in real state/housing, chaired by **Ms. Nandita Chatterjee**, Secretary, Ministry of Housing & Urban Poverty Alleviation (MoHUPA) largely concerned itself to reducing accident at building sites involving construction workers.

Challenges and opportunities in infrastructure sector was the theme of another parallel session chaired by **Prof. Vinod Sharma**, Executive Vice-Chairman, SDMA-Sikkim. The panelists were of the view that there was a need for heavy investment in infrastructure so as to build systems that could effectively fight natural and manmade disasters. Yet another parallel session chaired by **Mr. Saurav Roy**, Programme Leader, Tata Sustainability Group, discussed the subject of supply chain and manufacturing to strengthen the delivery system. Earlier, the plenary session was held on Business Continuity Planning and disaster risk reduction which was chaired by **Prof. Santosh Kumar**, Executive Director, NIDM.

To highlight the loss to industry because of natural disasters the workshop was told of two cases --- of plague outbreak in Surat (Gujarat) in 1994 and Gujarat earthquake of 2001. The participants were also informed about the financial impact of Orissa super cyclone of 1999.

It has been estimated that the plague outbreak of Surat in 1994 caused a total business loss of over US$ 260 million in Surat alone due to exodus of population due peak festival season. The United Arab Emirates suspended all cargo trans-shipment (agricultural exports) from India which resulted in a total loss suffered of $420 million. In London, Global Depository Receipts crashed after the BBC and CNN media agencies reported the plague situation. In the local stock exchange, the share value of the agricultural products tumbled. Both in flow of tourist and outflow of tourists were restricted leading to huge loss to the tourism industry of India as well outside India. The plague cost the Indian economy over $600 million.

Nearly 10,000 industrial units went out of production as the Gujarat earthquake of 2001 struck the industrial heartland of the State. The total economic loss was assessed at more than Rs 5000 crores. The entire spectrum of industries including the lifeline structures like bridges, roads, power, rail network telecommunication, air control towers and aerodromes suffered damages and hampered restoration and rehabilitation activities. The Orissa Super-Cyclone in 1999 inflicted a cumulative loss of nearly Rs. 1,000 crores on the industrial sector.
