









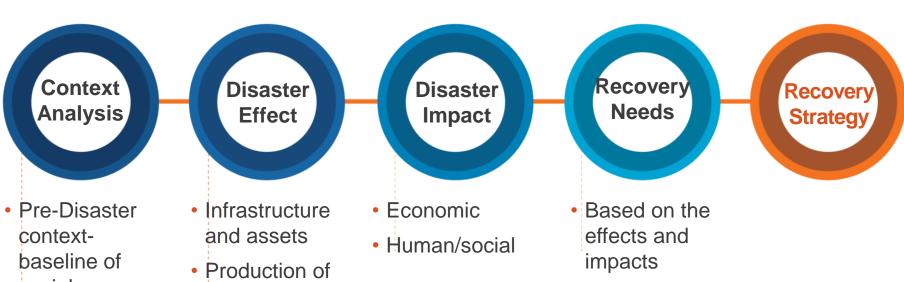
#### **Objectives of this Session**

Link the disaster effect with the recovery needs

Provide example of recovery needs

 Test your understanding of the costing principles in a simple case study

#### The PDNA Process



- economic, cultural, political status
- Production of goods and services
- Governance processes
- Increased risks

- Includes BBB
- Includes DRR

# Estimating Recovery Needs (4 dimensions)



Of infrastructure and physical assets



Governance and Decision-Making Processes



Of the production of goods and services and access to goods and services



#### **RISK REDUCTION**

and Building
Back Better BBB





#### Recovery Needs (from estimates of damage)

## RECONSTRUCTION OF INFRASTRUCTURE AND PHYSICAL ASSETS

 Value of Damage + Cost of (Quality improvement + Technological modernization + Relocation, when needed + DRR features + Multi-annual inflation)

#### **Recovery Needs (from estimates of losses)**

# RESUMPTION OF PRODUCTION OF GOODS AND SERVICES & ACCESS TO G&S

- The additional costs to service providers to restore basic services
- The additional costs to provide access to services to the affected communities, as well as equitable and affordable services to vulnerable groups. BBB concepts also applies

# RESTORATION OF GOVERNANCE AND DECISIONMAKING PROCESSES

- Cost for additional human resources with improved technical skills and to undertake the recovery
- Cost of replacing lost records and upgrading documents of the various public services
- Cost of addressing governance and social cohesion issues if disrupted

#### RISK REDUCTION

- Cost for addressing immediate risks and for upgrading preparedness measures in each sector
- Costs to facilitate implementation of building back better approaches.
- Costs for specific measures to strengthen DRR

#### **Examples of Recovery Needs**

- Repair of roofs damaged by a hurricane with wind resistant characteristics.
- Temporary shelter scheme and housing rehabilitation program.
- Income generation (Cash for Work) schemes for most affected groups
- Cash grants to microenterprises
- Provision of free access to key services (health, education)
- Provision of temporary tax relief for enterprises.

- Facilitation of construction permits to minimize delays in starting reconstruction
- Short-term interventions to mitigate impacts on macroeconomy, sectors and individuals
- Rehabilitation of basic services (Water/Sanitation, Electricity and Transport)
- Provision of soft term financing to re-start production activities for MSM enterprises.

# Example: Recovery Needs - Housing Sector

Activity or program component	How to estimate needs			
Short to Medium run				
Provision of household goods	From average value of household goods from lower income housing			
Provision of construction materials	From damage figure (rule of thumb take 30% for lower income housing)			
Provision of technical assistance on	Professional associations to estimate value of			
improved/resilient construction	such program			
Demonstration scheme of improved	Same as above			
housing standards				
Temporary shelter program	From expected duration of scheme, ascertain			
	costs to be met			
Medium to Long run				
Soft-term credit lines for house	From damage value of medium to high cost			
reconstruction	housing, include inflation, relocation when needed			
Same for house retrofitting for resiliency	Separate estimate to be done by Habitat			
Long Term Risk Management				
Relocation of human settlements to safe	Reconstruction costs plus			
areas				

#### **Prioritization of Recovery Needs**



- Post disaster settings are characterized by multiple demands across every sector and affected areas, often competing for limited available resources.
- Recovery needs and associated interventions must be addressed in phases, with most critical needs being accorded priority.
- Inter and intra-sectoral linkages should be taken into account to identify synergies and complementarities.

Drought in Angola 2012 - 2016

#### **Prioritization criteria**

- The most urgent needs expressed by the affected population
- Sequencing of needs: from the short-term to the medium and long term
- Restoring to pre-disaster levels followed by improvements with BBB
- Actions that can yield early results effectively
- Geographic areas with most urgent needs
- Recovery initiatives contributing to normalcy/stability where relevant

#### Formulating the Sector Recovery Strategy

- Once priority needs have been identified for each one of the sectors, the required interventions, expected outputs and costs could be estimated.
- The sector team will then discuss how this interventions would be implemented, including the leading entities/ministries, potential synergies with different stakeholders, alignment to existing programs and projects etc.
- Those considerations should be briefly stated as part of the sector recovery strategy.

## **Application**

Remember the fruit Juice stand of Pong that was flooded?





### Damage and Loss for Fruit Juice Stand

Disaster effect	Damage (USD)	Losses (USD)
Partially destroyed cart	100	
Totally destroyed Juicer and other equipment	400	
Cost of replacement of business license	10	
Labour costs of debris removal @ of US\$ 2 each hour		8
Loss of revenue for 6 days @ of US\$ 33 per day		198
Rent cost of US\$ 10 per day for 15 days		150
TOTAL Total effects: 866	510	356

#### **Application - Recovery Needs**

#### **Activity 2**

You now need to define and cost your recovery needs. Here is some additional information that you might find useful.

- A better quality cart costs 500 USD
- Pong wants to insure the cart and equipment to ensure that she is compensated for the loss in another floods.
   the Inusrance premium is USD 25 per year

### Damage and Loss for Fruit Juice Stand

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## Application

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**TOTAL 866** 

510

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# Example: Nepal PDNA - Employment and Livelihoods Recovery Needs

**TABLE 19.2: SUMMARY OF RECOVERY NEEDS** 

		Financial Year (NPR million)					Total
	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	
Recovery Activities	5,927	3,247	3,247	63	63	-	12,547
Awareness and sensitizing measures to mainstream occupational safety standards and non-discriminatory practices during reconstruction and recovery - 14 districts	2						2
Skills training programs-focused on disaster resilient skills development for rebuilding (masons, carpenters, contractors), entrepreneurship, financial literacy, including to migrants	2,514	-	-	-	-	-	2,514
Cash for work and labour-based programs focused on rebuilding public and private assets pertaining to livelihoods	3,393	-	-	-	-	-	3,393
Establish employment information/ facilitation centres districts (including on migration) - 14 districts	14	-	-	-	-	-	14
Mainstream child labour issues and concerns in all programme activities	3	-	-	-	-	-	3
Skills provision coordination mechanism	1	31	31	1	1		65
Establishment of Labour Management Information System	-	200	200	-	-	-	400
Employment facilitation services – 31 districts	-	31	31	31	31	-	124
Migrant resource centres – 31 districts	-	31	31	31	31	-	124
Skills training programs	-	1,257	1,257	-	-	-	2,514
Labour- based programmes through community contracting	-	1,697	1,697	-	-	-	3,394
Total	5,927	3,247	3,247	63	63	-	12,547

#### **Key Take-Away**

- Each of the four dimensions of the disaster effects translates into a recovery need.
- Recovery needs, by sector, must be prioritized to respond to the most affected population.
- Recovery needs must be costed and defined per short/medium and long term (or per fiscal year).
- A Sector Recovery Strategy should be prepared as part of the PDNA.

