

Disaster Management through Robust Financial Governance

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Pakistan has been suffering most from climate change especially since last decade. However, the realization of it by governments (both at federal and provincial levels) has been a bit slow and apparently serious and concrete efforts to address this started just few years back. The focus is now on dedicated organizations dealing specifically with disaster and performing the whole range of functions whether it is management, response, rehabilitation preparedness, policy making, or disaster risk reduction. Simultaneously focus is being shifted to generation of required resources to finance as well as ensuring optimum utilization of scarce resources through better financial management and thus visibly enhancing performance and achieving targets with efficiency rather than wasting the money already acquired through much hassle. Prior to this whole system there was just a system of on spot response whenever a disaster struck, which lead to sheers waste of resources both in cash and kind as no coordination/mechanism for distribution of response (cash/kind), among affected existed. Even no mechanism for need assessment existed and thus a trigger chain reaction occurred which ultimately lead to poor target achievement despite spending huge available resources. Further sufferings of community did not reduce, rather these increased when another disaster struck the same community as there was no preparedness and no lessons learnt. With this background and keeping in view the constrained economy, organizations involved in disaster management or financial institutions providing support and coverage to disaster domain need to focus on two strategies. These two strategies are: a)

Generation of resources for Disaster Management/Resilience/Preparedness with long term policies and plans and b) better financial management of these resources.

We will discuss in detail these strategies one by one as these are extremely important for organizations/Government with disaster management spectrum, particularly those which are aiming to be better prepared as disaster managing entity. First let us discuss why focus should be on generation/capture/tapping of resources for funding for long term/short term policies, plans and preparation for disaster management system and cycle. In developing countries like Pakistan where public exchequer is already burdened due to limited resources and where there even for basic human needs like Health, Education, Nutrition resources are scarce. Even for these basic needs Government has to borrow both internally and externally. Then after these areas focus has just recently shifted to infrastructural development after a decade of terrorism. These two priorities and above-mentioned priorities gulp more than 2/3rd of the country's budgetary resources (regardless from where these resources are being generated). With such a complicated and complex background, it is really difficult for Government to allocate resources for Disaster management cycle with special focus on preparation and resilience. As the country now fall into the category of most disaster-prone countries so now there is a paradigm shift in country's policy. Since 2005, the country shifted its focus to Disaster Management/Preparedness/Resilience after having

facing disasters (both natural and man-made) and subsequent losses (both in cash/resources). After being struck by one major disaster after another Government has now realized that no progress can be made and no investment in education, health, human development, infrastructure development can be sustained when resilience towards disasters is not there to support country activity, as well as efficient disaster management system with key focus on early warning and preparedness at each level of disaster management cycle.

The purpose of all this discussion is just to remind how important is disaster management and preparedness and how important is resilience against disasters for a country and more so for Pakistan which is now among the top countries suffering from climate change and also how resource deficient our country is. So in order to survive from this threatening climate change fear, we needed to build disaster resilience for which we needed organizations having focus on preparation for managing the whole disaster cycle and also for this we needed resources, be these financial resources, human resources and/or infrastructural/logistic resources. Governments, however, lack resources and public exchequer is also burdened and constrained and thus the need of the hour is to generate resources. These resources can be generated from public funds, through private funds, through public-private partnerships, foreign aid (Government to Government, NGO's to Government or Agencies to Government or Agencies to private sector). For example, if we talk about public funds then to think about such revenues/resources dedicated for disaster management, preparedness and resilience such as taxation/levy for generation of such fund, pooling funds through general appeals to the public at large or pooling funds through private parties/investors or civic society organizations or through collaboration of public sector with private organizations. Further investment of available private funds in the financial markets and utilization of profit for disaster preparedness management and policy making/response. Moreover, for further resources multinational corporations working in the country can be engaged for their corporate social responsibility factor. Similarly, NGO's working inside the country for climate change policies /programme can be of best help for both HR and Financial resources. Additionally, foreign governments, NGO's based abroad and donor agencies of international repute can be approached for financial resources. Moreover, dedicated programs in universities and colleges are needed to develop human pool trained in understanding of Disaster Management Cycle and

techniques for disaster resilience and preparedness and this will result in generation of huge pool of resource and will be expected to contribute immensely in all future needs. The development of both financial and human resources will definitely lead to positive and concrete steps towards disaster management, preparedness and resilience. After acquiring/generating resources, particularly the financial one (which will be of course limited however broad the spectrum of resources is), the next humongous task is management and sustenance of these resources. For a government/organization, investing in these resources, for purpose of disaster management/preparedness/response (after acquiring these resources), considerations with respect to the 3 Es i.e. economy, efficiency and effectiveness are a must and in fact a huge responsibility. Governments/ organizations striving for disaster resilience/preparedness are expected to efficiently utilize available financial resources using multiple techniques like investment of available funds in the financial market and earning of profit and utilizing the profit for disaster management activities. Efforts need to be put in for using available financial resources for sustainable, self-sufficient and self-productive technologies such as renewable resources that involves one-time cost but have benefits of minimum or no recurring cost. Moreover, financial management should be made such that more funds are diverted to the target achievement with minimum required establishment cost. In case a disaster is struck, better coordination, affected areas management and stock management will lead to effective financial management that will in turn reduces both establishment and operational cost while achieving the results nevertheless. Effective financial management, however, will be dependent on preparedness, disaster forecast and risk reduction policy put in place by the responsible.

In conclusion we can say that generation of resources for disaster management and resilience and efficient financial management of available resources complement each other and hence these should be of prime concern for any government, organization, or entity working for disaster management, preparedness and resilience and without these two above mentioned strategies, any efforts made will lead to sheer waste of resources, exhaustion, poor target achievement and entrapment into a vicious cycle of disaster and more losses and thus poor sustainability of the country; adversely affecting the growth and progress.