

# GFDRR on Leveraging

**GFDRR supports activities that influence and leverage large-scale investments in risk reduction and climate change adaptation across sectors, working closely with governments, development partners, and other stakeholders towards improved disaster risk management.**

## Why Leveraging Matters

GFDRR grants by themselves can never be large enough for the investments needed to reduce disaster risk in developing countries. Fortunately, GFDRR does not act alone, working first and foremost with countries, as well as development banks, bilateral donors, and other stakeholders, to help build resilience.

## What We Do

GFDRR engages different types of actors, from multilaterals and donors to client countries, increasingly including their subnational governments, private sectors, and civil society organizations. Working with these partners, GFDRR provides grants and expertise to developing countries to:

- Strengthen capacity on specific disaster risk management issues and skill sets;
- Develop new tools and knowledge; and
- Support the design and implementation of investments in disaster risk management.

GFDRR's activities lead to greater results—through larger investments by partners—in risk identification, risk reduction, preparedness, financial protection, and resilient recovery. For example, GFDRR support for post-disaster needs assessments, in conjunction with the United Nations (UN), the World Bank, and the European Union, often results in national governments and donors making big investments based on their recommendations.

GFDRR supports direct investment in risk reduction through technical studies and co-financing. GFDRR also indirectly influences policies and strategies to improve disaster risk management by providing implementation support and advice that help countries and donors target their impact. Finally, GFDRR raises global awareness of growing disaster risk, shaping conversations on how to mitigate this trend.

Developing countries need over  
**\$1 trillion**

per year to finance their growth and urbanization needs.<sup>1,2</sup> To be sustainable, investments must help reduce disaster risk and also be resilient to these risks themselves. **GFDRR helps shape and leverage that investment.**

In FY2013, GFDRR grants helped developing countries secure \$1 billion in World Bank investments that contributed to disaster risk management. **In FY2014, that number grew by 50 percent to almost**

**\$1.5 billion.**



**GFDRR**  
Global Facility for Disaster Reduction and Recovery



## India

**GFDRR Project:** Support to India's National Cyclone Risk Mitigation Project

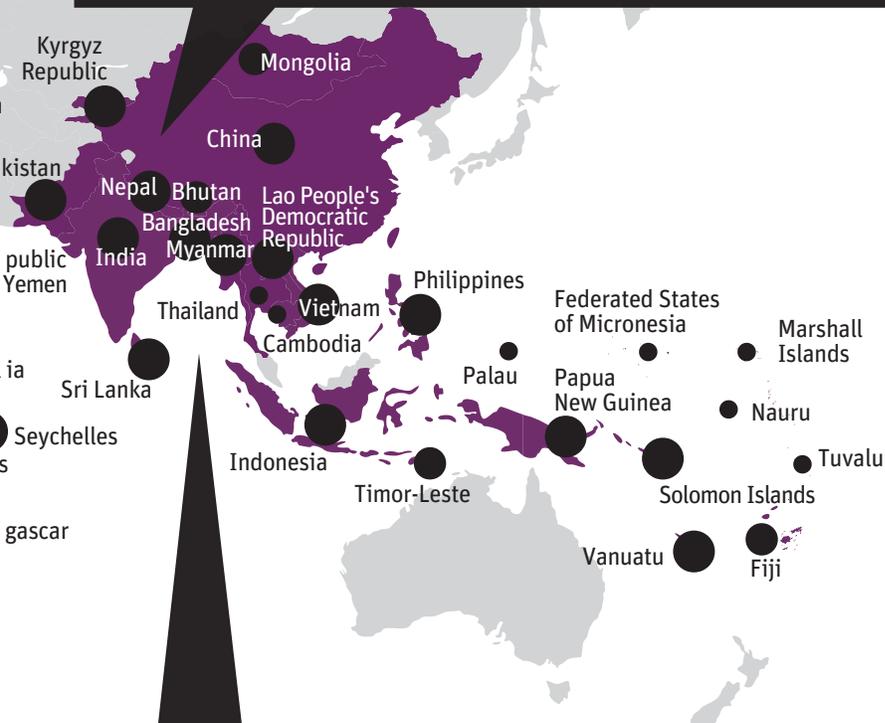
**GFDRR Grant:** \$270,000

**Leveraged Project:** India National Cyclone Risk Mitigation Project

**Project Size:** \$319 million

**Partners:** Government of India, IDA

**Description:** Since 2011, GFDRR policy advice and implementation support has helped this 2011–2015 project put early warning systems and an improved network of disaster shelters in place to reduce the vulnerability of the coastal states of Andhra Pradesh and Odisha to cyclones and other hazards. When a cyclone made landfall in this area in October 2013, government officials were able to evacuate nearly one million residents and saw storm-related fatalities dramatically lower than those seen after the destructive 1999 cyclone.



## Bangladesh

**GFDRR Project:** Capacity Building for Managing Storm Surge, Saline Intrusion and Climate Change in Coastal Bangladesh

**GFDRR Grant:** \$200,000

**Leveraged Project:** Bangladesh Coastal Embankment Improvement Project

**Project Size:** \$400 million

**Partners:** Government of Bangladesh

**Description:** Bangladesh relies upon polders—low-lying tracts of land enclosed by dikes and filled with fresh water—to protect its coast from tidal flooding. However, its polders are half a century old, and were not built to withstand the more extreme storm surges caused by the effects of climate change. In FY2014, a GFDRR grant helped the government to change national policy and commit to investing in upgrading the country's 139 polders, which helped leverage the \$400 million Bangladesh Coastal Embankment Improvement Project.

## Snapshot: Leveraging in Practice

GFDRR's support has led to new investments by different development partners across many areas of disaster risk management.

- **Risk Reduction in Malawi:** GFDRR supported the Ministry of Water Development and Irrigation to design a \$136.3 million project financed by the International Development Association (IDA) and the government to improve land and water management in the Shire River Basin.
- **Disaster-Resilient Housing in India:** After flash floods and landslides in the state of Uttarakhand, India in June 2013, GFDRR partnered with the Asian Development Bank to help the state government conduct a rapid post-disaster needs assessment, which informed a \$250 million project from the International Development Association (IDA) to rebuild disaster resilient housing and public infrastructure, construct rural roads, and build the capacity of government agencies.
- **Recovery Investments in Southwest Indian Ocean Island States:** The Southwest Indian Ocean Risk Assessment and Financing Initiative, launched in April 2014 with support from the ACP-EU National Disaster Risk Reduction Program, supported post-disaster assessments that have been used to secure and inform recovery investment programs, including a \$12 million cyclone reconstruction initiative in Tonga and a \$40 million risk reduction project in Saint Vincent and the Grenadines.
- **Preparedness in Central Asia:** GFDRR supported the design and implementation of a \$27.7 million regional project to improve weather and climate services, partnering with the World Meteorological Organization (WMO), Climate Investment Funds (CIF), the governments of Kazakhstan, Kyrgyz Republic, Tajikistan, and Uzbekistan, and the International Fund for Saving the Aral Sea.
- **Financial Protection through Contingent Financing:** GFDRR has helped leverage \$1.27 billion in contingent financing from the World Bank for Colombia, Costa Rica, El Salvador, Guatemala, Panama, Peru, and the Philippines in case of disaster.

## Highlights

Working with its partners, GFDRR has supported capacity development, new tools and knowledge, and design and implementation for new investments that help countries manage disaster risk.

### **Vietnam: Leveraging Large-Scale Investments in Climate Change Adaptation**

Across Vietnam, rapid urbanization is increasing the exposure and vulnerability of people and critical public assets, including roads, hospitals, and schools. In the past four years, through a series of grants totaling \$4.4 million, GFDRR has helped Vietnam to make disaster and climate change resilience efforts a central part of the government's policies and public investments. This initial funding resulted in the World Bank approving \$808 million of large-scale lending projects to assist the country with disaster risk management and climate change adaptation.

For example, with GFDRR's advisory help and a World Bank loan, Vietnam built nearly 500 kilometers of new rural roads using climate-resilient designs. Another 5,000 kilometers of existing rural roads were similarly retrofitted. The project involved the participation of more than 15,000 people from neighboring villages, who will ensure the regular maintenance of the roads in the future.

Another pilot initiative from the World Bank and GFDRR trained members of at-risk communities in 12 provinces in flood preparedness and resilient development measures. Its success inspired the government to develop a national version of the program, investing \$450 million to cover 6,000 communes in Vietnam. A FY2014 GFDRR flood risk assessment in Ho Chi Minh City is informing a planned \$500 million flood risk management project, as well. Other GFDRR projects have leveraged additional investments, including the ongoing \$150 million World Bank-supported Vietnam Managing Natural Hazards Project.

### **Madagascar: Leveraging Information for Safer Buildings**

Madagascar faces an average of three to four cyclones each year. Because cyclones occur fairly frequently and generally cause lower losses per event than low-frequency high-intensity hazards like major earthquakes, they often attract less attention from the media and donors. Over time, however, cyclones cause significant cumulative losses. In 2008, GFDRR helped Madagascar become the first African country to apply the post-disaster needs assessment methodology. The assessment estimated that cyclones that year had caused total losses equivalent to roughly four percent of the country's gross domestic product and had damaged

## Advancing Knowledge and Advocacy

- Following a commitment made at the Sendai Dialogue, part of the GFDRR- and World Bank-supported international Resilience Dialogues, the government of Japan is financing a \$100 million program to integrate disaster risk management into development policies.
- In September 2014, GFDRR hosted the World Reconstruction Conference 2 in partnership with the European Union and United Nations Development Programme. The conference featured the launch of the Post-Disaster Needs Assessment and Disaster Recovery Framework guides, as well as nine case studies, which draw from experiences around the world to help countries plan, prioritize, and finance resilient recovery programs.
- At the conference, more than 30 countries and organizations issued a joint statement in support of resilient recovery in the post-2015 framework for disaster risk reduction.
- In April 2014, GFDRR, the Australia-Indonesia Facility for Disaster Reduction, and the government of Indonesia launched version 2.0 of InaSAFE (<http://inasafe.org>), an award-winning, open source software program that produces risk analyses for all types of natural hazards. InaSAFE 2.0 is currently being used by local governments in Indonesia and the Philippines to create realistic contingency plans, and it has recently been introduced, with training, to governments in Haiti, Malawi, and Sri Lanka.
- Established with seed funding from GFDRR, the joint World Bank and GFDRR Disaster Risk Financing and Insurance Program has grown rapidly in size and scope, mobilizing additional resources in the process. This includes \$3 million from the Netherlands' Ministry of Foreign Affairs, \$7 million from Switzerland's State Secretariat for Economic Affairs, and \$5 million from the United Kingdom's Department for International Development (DFID).
- For the first time, the leaders of the world's largest economies discussed disaster risk management at a G20 Summit. Held in Mexico in July 2012, this initiative of the government of Mexico, the World Bank, and GFDRR helped document the experience of 15 countries and international

or destroyed six percent of its health centers and four percent of its primary school buildings.

Surprised by the scale of storm-inflicted damage to health centers and schools, the government appointed representatives from various ministries to help incorporate disaster risk management into its development agenda. With very limited resources, the committee decided to focus on what they viewed as the highest priority: new cyclone resistant building codes. GFDRR assisted the government in developing the codes, and by 2010 the country had made them mandatory for public buildings, like health centers and schools. Madagascar has also explored new ways to enforce the standards—a widespread problem in projects to revamp building codes—opening up civil liability for both builders and inspectors in cases of building failure. By 2013, the government had also completed safety standards for transportation and irrigation.

Building on this project’s success, GFDRR has also fostered peer-to-peer learning and collaboration by sending a Madagascar expert in building codes along with a United Nations Human Settlements (UN-HABITAT) team to advise Mozambique on the construction of safer schools and help conduct a damage assessment in the aftermath of cyclones Dando and Funso in 2012.

### **Philippines: Community Mapping Informs Recovery and Reconstruction**

When Typhoon Haiyan struck the Philippines in November 2013, it became the strongest cyclone to make landfall in recorded history. The storm destroyed critical infrastructure, roads, and homes, and nearly half a million households were pushed into poverty, increasing the poverty rate from 41 percent to roughly 56 percent in some of the worst-affected areas. There was urgent need to collect data on the extent of the damage to aid in recovery and reconstruction.

GFDRR partnered with the American Red Cross and the Humanitarian OpenStreetMap Team (HOT) to mobilize one of the largest participatory mapping efforts to date. The collaboration created a free and open data platform using GeoNodes software to gather and share information from different sources. Through the platform, reconstruction planners gained access to satellite imagery and crowdsourced spatial data, allowing them to create specialized maps to guide reconstruction.

With GFDRR policy and technical guidance, as well as data from community mapping, the government created a comprehensive reconstruction plan within five weeks of the typhoon to guide recovery and reconstruction. That plan, in turn, helped to inform and secure a \$500 million World Bank post-disaster reconstruction loan.

organizations in disaster risk assessment and financing. The findings were published in a joint report that then served as a basis for discussions at the G20 Summit. Contributors included middle-income countries Argentina, Brazil, Chile, China, Colombia, Korea, Mexico, and Turkey.

GFDRR grants totaling \$4.4 million in Vietnam leveraged **\$808 million** of World Bank projects to assist the country with disaster risk management and climate change adaptation.



## **Bangladesh: Supporting Implementation of Emergency Management System**

Bangladesh's capital city of Dhaka is a densely populated megacity of 15.3 million people, and many of its high-rise apartment and office buildings are not built according to the country's construction code, placing the population at risk from earthquakes and other hazards. In FY2014, an \$800,000 GFDRR grant helped Dhaka design a new emergency management system that will include an incident command center structure, and better prepare transportation, communication, and rescue services for responding to disasters. This investment helped leverage a \$175 million World Bank project that will implement the system in Dhaka.

## **Lessons Learned**

### **Projects must be part of a strategy linking them to longer-term investments or institutional change.**

While it is important for GFDRR to remain open to requests from developing countries, grants should demonstrate alignment with GFDRR's annual work plan and opportunities for catalyzing additional investments or policy change.

In India, cyclones regularly threaten coastal states, prompting the government to launch the National Cyclone Risk Mitigation project in early 2011. GFDRR agreed to support implementation, including strengthening the capacity of the National Disaster Management Agency (NDMA). This has helped the government's program succeed and increase India's resilience to cyclones. When Cyclone Phailin struck in October 2013, the country had already declared an emergency, evacuating nearly one million residents and saving countless lives.

### **Strategic partnerships are crucial to achieve large-scale impact.**

It takes time and effort to build partnerships and have them work well. Partners in the implementation of GFDRR projects should bring knowledge and relationships to the table from on-the-ground experience, as well as technical expertise and additional resources that GFDRR is not well placed to provide.

The Pacific Catastrophe Risk Assessment and Financing Initiative, for example, is hosted and managed by the regional Secretariat of the Pacific Community. In

addition to GFDRR financing, it also receives financial support from the government of Japan and the European Union. Other partners include Air Worldwide, GNS Science of New Zealand, and Geoscience Australia. Each partner brings key competencies to this arrangement.

### **Monitoring and evaluation provides evidence for improving leveraging strategies.**

In order to track the effectiveness of GFDRR in leveraging additional resources, it is important to develop a methodology to measure and track what initiatives have worked well, as well as determining why and how they have led to additional impact through partners. This should inform project design in all GFDRR approved grants.

As a result, GFDRR has commissioned a country-level evaluation of its program in a sample of at least five priority countries. The evaluation is testing the causal link between relatively small GFDRR grants and initiatives and their ability to bring about larger outcomes in disaster risk management. This will help GFDRR better tailor its interventions to link to large-scale investments that are likely to have the biggest impact.

## **Looking Ahead**

GFDRR will focus on prioritization of resources and monitoring and evaluation to inform and improve its ability to leverage results.

- **Aligning Resources to Strategy:** GFDRR is restructuring its financial support to regional partners to ensure advance planning, constructive dialogue with government counterparts, and alignment with its work plan.
- **Recovery Framework:** GFDRR will continue rollout of its Recovery Framework Methodology in partnership with the EU and UNDP to guide developing countries on how to maximize the long-term impact of their post-disaster investments.
- **Country Evaluations:** GFDRR will conduct an evaluation of GFDRR country-level impact so that it can better select initiatives, based on evidence of which are most likely to result in effective investments and policy improvements.

## Strategic Partners



African Development Bank



Asian Development Bank



Government of Australia



Government of Brazil



Climate Investment Funds, including Pilot Program for Climate Resilience



European Union



Google



Government of Japan



Inter-American Development Bank



Japan International Cooperation Agency



Ministry of Foreign Affairs of the Netherlands

Ministry of Foreign Affairs for the Netherlands



Nordic Development Fund



State Secretariat for Economic Affairs of Switzerland



Secretariat of the Pacific Community—Applied Geoscience and Technology Division



UK Department for International Development



UNICEF



UNDP- Bureau for Crisis Prevention and Recovery



UNISDR



USAID



World Meteorological Organization

**“[The GFDRR-supported post-disaster needs assessment] allows for a better understanding of the cross-cutting issues of drought and provides authorities and likely supportive partners a clear and effective plan for government action.”**

—Ilyas Moussa Dawaleh, Office of Industry and Planning, Ministry of Economy and Finance, Government of Djibouti

### NOTES

<sup>1</sup> World Bank. Long-Term Investment Financing for Growth and Development: Umbrella Report. Presented to the Meeting of the G20 Ministers of Finance and Central Bank Governors, February 2013, Moscow, Russia. <http://www.g20.org/news/20130228/781245645-print.html>

<sup>2</sup> All monetary amounts are in US dollars unless otherwise indicated.

<sup>3</sup> Denotes countries where GFDRR grant or team engagement has supported risk reduction.



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### **GFDRR PILLAR:** Risk Reduction

People in vulnerable countries will be better protected through improved planning, better building practices and increased investments in vulnerability reduction.