Asian Disaster Preparedness Center

Building Resilience through Innovation and Partnerships

DRF Strategies

Why do we need to have DRF Strategies in place?

The Risk Factor

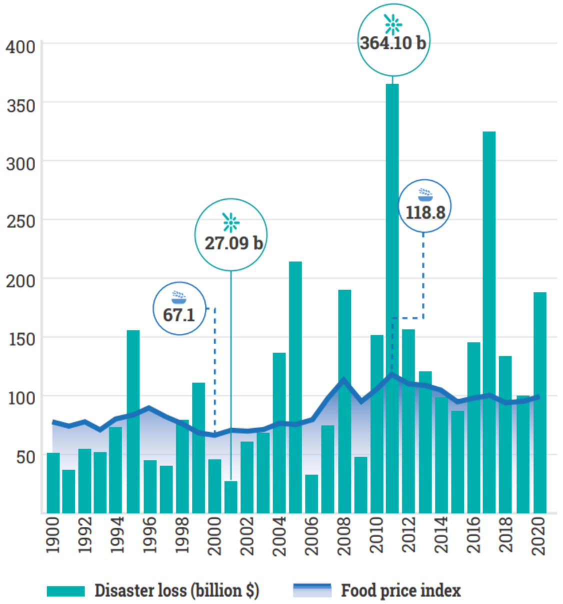


Figure 1: Risk and Hunger: Relationship between disaster impact and food price index

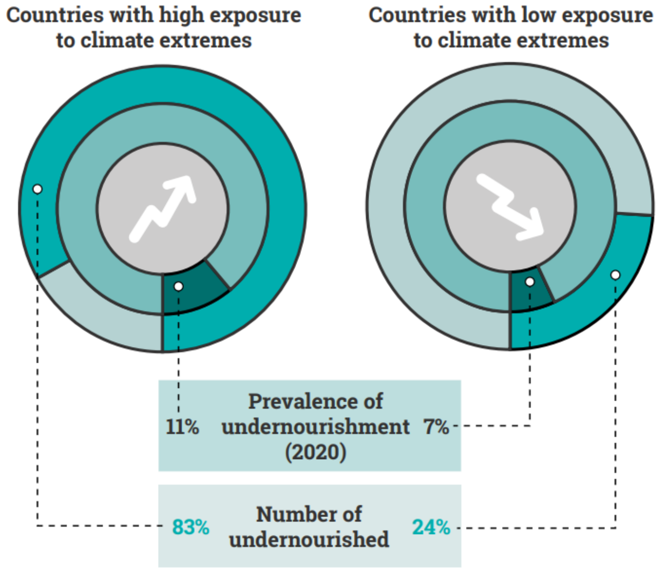
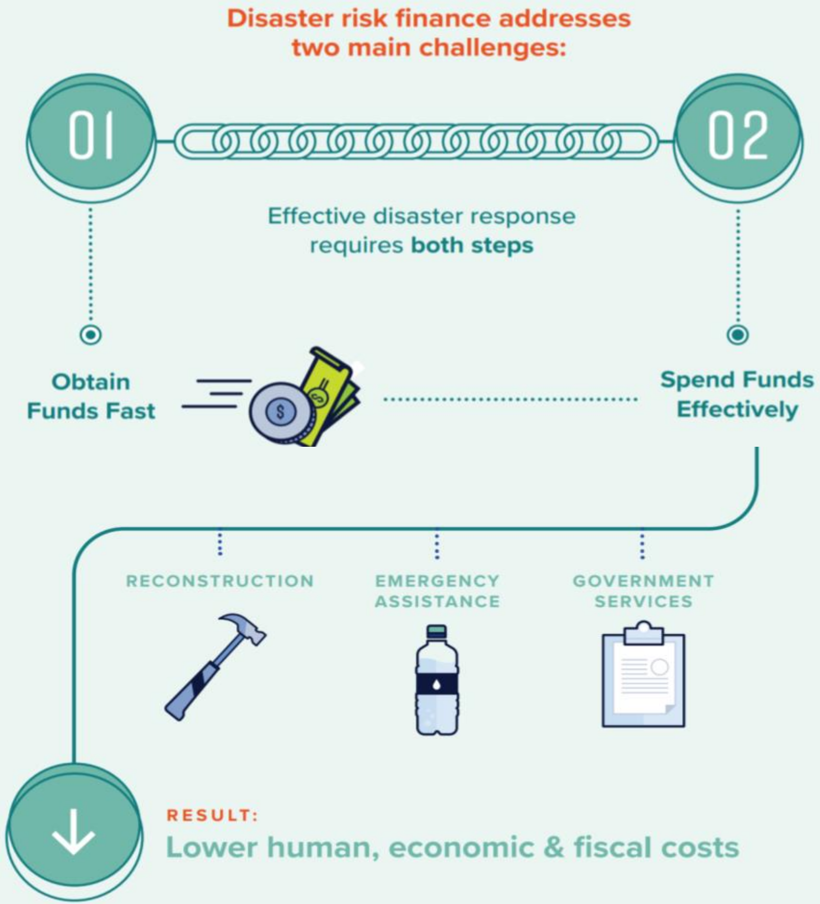


Figure 2: High Exposure and Prevalence of Undernourishment

Source: GAR 2022

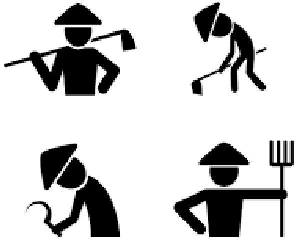
Financial Resilience

Planning ahead to better manage the cost of disasters, ensure predictable and timely access to much needed resources, and ultimately mitigate long-term fiscal impacts.



The Protection Quartet

Government



Agri Workers

Home/ Business Owners/ SMEs

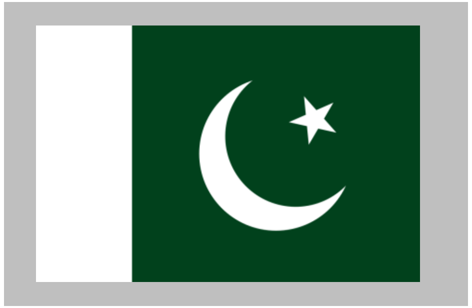
The Poorest

DRF Strategy Development: Process Highlights

IMPORTANT FACTS:

- Assessment of Policy and Institutional Landscape
- Documentation of Post Disaster Public Financing Requirement
- Quantification of Contingent Liabilities
- Identification of Priority Areas
- Management of Expectations

Case Study



Comprehensive DRF Strategy: Philippines

Excellent and Balanced Use of Risk Layering Approach

- Sovereign Risk Transfer
- Contingent Line of Credit
- Risk Transfer for Sub-National Level
- Insurance Instruments at various levels

DRF Strategy Development: Pakistan

Average Use of Risk Layering Approach

- Sovereign Risk Transfer
- Contingent Line of Credit
- Excess Reliance on Risk Retention
- No Risk Transfer for Sub-National Level
- Limited Focus on Insurance Instruments

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Opportunities to Enhance Stakeholder Buy In