UNDP Informational Paper on Post-Disaster Needs Assessments and Loss and Damage Databases for the third meeting of the Transitional Committee on the operationalization of the new funding arrangements for responding to loss and damage and the fund established in paragraph 3 of decisions 2/CP.27 and 2/CMA.4

UNDP serves as a member of the Technical Support Unit (TSU) advising the UNFCCC Secretariat and the Transitional Committee (TC) on the operationalization of the new funding arrangements for responding to loss and damage and the fund established in paragraph 3 of decisions 2/CP.27 and 2/CMA.4. In playing this role, UNDP draws on the experience and insights gained in providing the UN system's largest portfolio of support to developing countries and communities on climate change. This includes a range of support to address loss and damage related to the impact of adverse events associated with climate change, including, for example, support on climate change adaptation, NDCs, disaster risk reduction, resilience recovery, sustainable resource management, human mobility and human rights, among other relevant support areas. Contributions reflecting this experience have been provided through the scoping papers prepared by the TSU. In addition, and in response to increasing interest and questions that have emerged specifically Post Disaster Needs Assessments and loss and damage databases, this submission provides further supplementary information on these tools. The below includes a detailed overview based on UNDP's experience, reinforcing and complementing information shared in the aforementioned scoping papers.

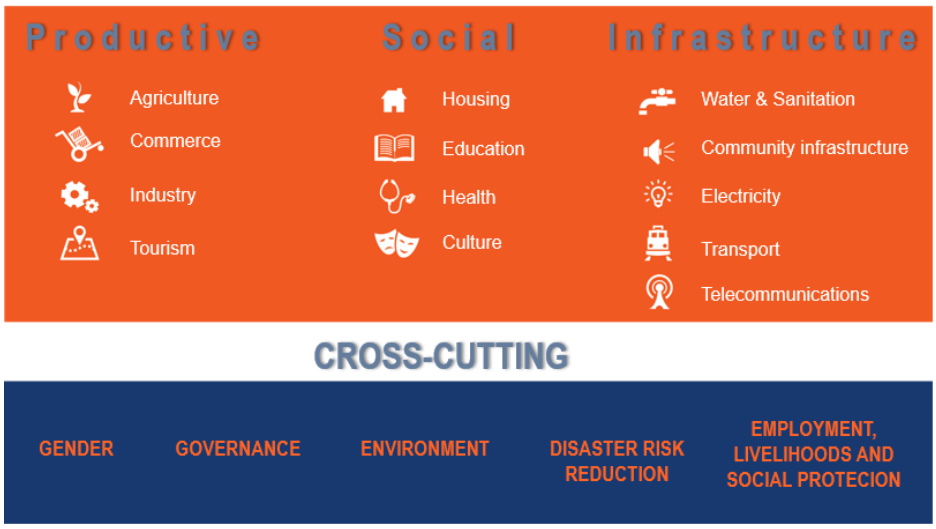
1. Sustainable recovery as part of sustainable development processes

Recovery is understood as a transformative process through which households, communities and countries return and strengthen the path of self-sufficiency, enhancing the agency and well-being of all people, including vulnerable or marginalized populations that are disproportionately affected by crises. Recovery comprises a set of development interventions over the immediate/short, medium and long term that restore, improve and strengthen resilience of livelihoods, infrastructure and basic services, repair the economic and social fabric, and reconstitute effective and inclusive institutions. During the short term, reporting and analysis of losses and damages is part of the implementation of a Post Disaster Needs Assessment (PDNA), followed by the development of national recovery frameworks and plans. A number of countries also develop dedicated national loss and damage databases to support this effort.

2. Overview of the PDNA methodology

The PDNA is a mechanism for joint assessment and recovery planning following a disaster. Anchored in the Tripartite agreement between the UN, WB and EU, this tool for post crisis assessment and recovery planning seeks to assess the impact of large-scale disaster events that results from most hazards, and define a strategy for recovery, including the estimation of financial resources required to build back better[i]. The PDNA also provides information on the Macro Economic Impact and Human Impact. The Human Impact chapter attempts to register the non-economic losses experienced by most vulnerable people (women, men, aged, people with disabilities and various ethnic groups). The assessments provide Governments with an estimate for short-, medium- and long-term recovery needs which is the basis for allocation of domestic resources or mobilizing international funds including loans and grants. Following PDNAs a more detailed Recovery Framework is

developed which prioritizes recovery needs based on available resources and outlines national and local institutional and implementation arrangements and key indicators for monitoring Recovery. **(See** Pakistan PDNA 2022 Report **and** recovery framework**)**. The PDNA assesses all sectors of the national economy which are grouped by the productive, social and infrastructure sectors, including cross-cutting areas, as per the figure below. The assessment in each country is adjusted to the sectors most affected by the disaster.

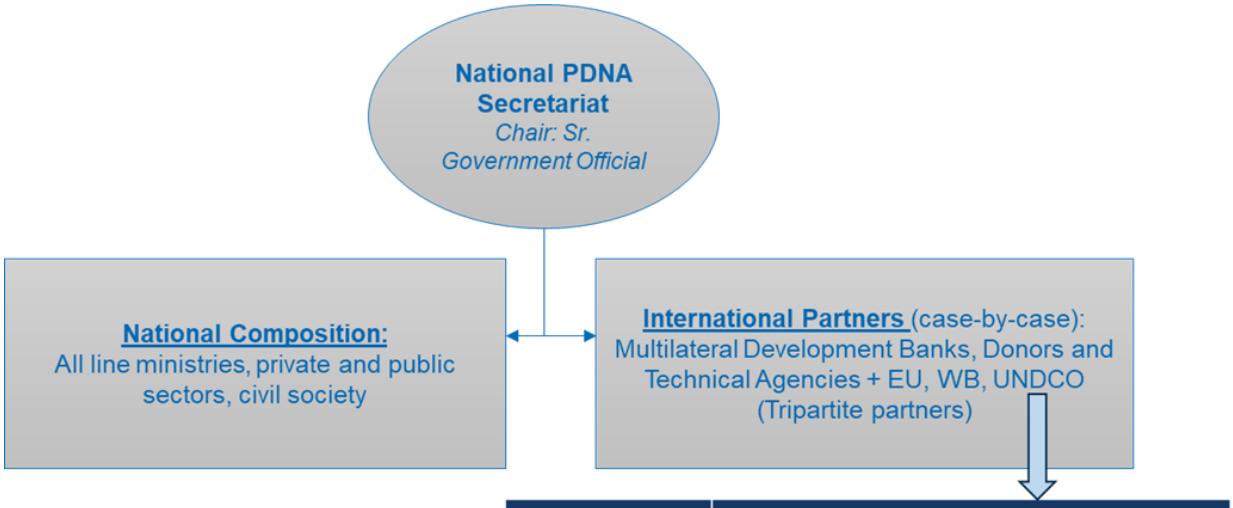


The PDNA uses standard templates and standard methodology for damage and loss allowing for comparison across sectors and geographic regions, and providing disaggregated impacts of the disasters. Since 2014, **over 80 PDNAs** have been conducted, which also provides a detailed picture of the loss and damage across regions for various categories of large-scale disasters. See the figure below for the geographical spread of PDNA assessments and trainings.

2.1 Benefits and Value of a PDNA process

2.1.1 Coordination, complementarity and country ownership of the PDNA process

The success of a PDNA is hinged on partnerships, participation and cooperation, with an inclusive approach to the civil society; both across the national level and at the national-to-international level interface. This avoids duplicative, repetitive assessments from different stakeholders and partners, saving time and resources. The Figure below shows the typical governance arrangement for coordinating a national PDNA exercise.



Sector Group	UNDCO Lead Agency
Social sectors	•Housing, land and settlements (UN-Habitat) •Education (UNICEF) •Health (WHO) •Culture (UNESCO)
Productive sectors	•Agriculture, fisheries and livestock (FAO) •Employment and livelihoods (ILO)
Infrastructure se ctors	•Water and sanitation (UNICEF) •Community infrastructure (UNDP)
Cross-cutting	•DRR (UNDP) •Governance (UNDP) •Gender (UN Women) •Environment (UNEP)

Notable from the Figure above is that the PDNA is a national government-led and owned process. Technical support, funding and facilitation of the PDNA process is usually provided by the EU, WB and the UNDCO (all three or a combination). UNDP anchors the PDNA process on behalf of the UN system and provides the technical support and coordination of UN agencies (per the figure above) to conduct the assessments. Other development partners and technical agencies can also be engaged, as determined appropriate by the government. The PDNA process also involves the participation of the affected population, local authorities, NGOs, donors, civil society and the private sector. Notable is the joint UN agency approach to PDNAs, allowing countries to leverage the technical expertise of ten specialized UN agencies[1].

This coordination mechanism for the PDNA can be leveraged to support capacity building of countries in establishing a methodology for Loss and Damage, including establishing baseline data sets for all sudden onset

[1] WHO, UNICEF, FAO, UNEP, UNWOMEN, UNESCO,UN-HABITAT, UNFPA,ILO,

and slow onset events. This targets better recording of both economic and non-economic loss. Partners have already developed online and in person training modules, as well as simulations for assessing loss and damage, which can also be leveraged for capacity building efforts.

2.1.2 Adaptability of the PDNA methodology

- The PDNA methodology is adaptable and versatile. In 2020, the PDNA and peacebuilding assessment methodologies were adapted to the COVID-19 context, giving rise to the development of the Covid-19 Recovery Needs Assessment (CRNA) - now referred to as the Pandemic Recovery Needs Assessment (PRNA) methodology. As a result, the PRNA assessments were able to assess non-economic losses in more detail than normal sudden onset events since it did not include physical infrastructure damage elements. The drafting of the methodology and toolkit benefited from the pre-existing partnerships of the PDNA process and tapped into the technical and financial resources and governance arrangements to inform the pandemic recovery assessments.
- UN agencies are currently in discussion to explore the possibility of addressing ecosystem losses and health impacts, as well as non-intangible heritage impacts in the context of PDNAs. This could expand the focus to look not only at economic but also non-economic losses.
- Building on the PDNA approach, there is also scope for investigating the suitability of updating the methodology to assess L&D for other slow onset events (beyond droughts for example), such as ocean acidification, sandstorms, Dzud, heatwaves and sea-level rise.

2.2 <u>Insights from PDNA processes on resource gaps and needs</u>

2.2.1 Overall gaps in financing recovery needs

- National and local stakeholders bear the majority of the costs of loss and damages.
- Centralized decision-making in budget and revenue allocation is dominant across most countries.
- Funding availability is rarely provided over long term, and funding is not always predictable or guaranteed
- Overall, recovery funding has been limited, often only 20-50% mobilized through donor conferences following large scale disaster where PDNAs are undertaken.
- As much as 50% of financial pledges are loans which further strains a country already in high debt.
- <u>Fiji Case Study:</u> Following the devastating impact of Tropical Cyclone Winston (2016), the ADB reported the Fijian government had allocated F $134 million for reconstruction efforts, while donors were expected to provide F $23 million. This reflects a significant **funding gap of F $574 million (79%), which was ultimately addressed in part through loans** from multilateral financial institutions (Source: ADB & UNDP, 2023)

2.2.2 Specific thematic areas for recovery needs (as identified in PDNAs and DRFs)

- As noted through PDNAs, the largest resource needs are for **Housing**. This is the case in almost all hurricanes and floods as well as geophysical hazards. The persistent needs of providing a safe and secure disaster resilient shelter are the foremost challenge, not only due to the lack of resources but also the technical expertise in implementing large scale sustainable housing programmes with locally sourced materials and aligned with the culture of the community. The sustainable development co-benefits of

investment in housing through reconstruction programmes is that it is almost always disaster resilient and registered jointly in the name of the husband and wife. This has the potential of overturning decades of disparity in land and house ownership by women and if designed well can also provide a space for home-based income opportunities.

- The second most important category of resource need seen in PDNAs is for the **agriculture sector**. Loss and damage to the agriculture and allied sectors (livestock and fisheries) account for 22% of all losses and damages from disasters assessed through 78 PDNAs and DALAs between 2003-2013. This is likely to have doubled since then given the trend of increasing droughts globally. The sector may not have a high price tag when compared to recovery needs of public infrastructure, but it has a high development return for investment since it employs the largest number of men and women in most developing economies. Strengthening agriculture systems and linked livelihoods will also offer co-benefits by addressing the issue of food insecurity and access to balanced nutrition.
- The allocation of funds following a PDNA is largely made to reconstruct public infrastructure, leaving critical gaps in much needed **support vulnerable householes and people at risk and/or exposed to disasters.** This includes support for livelihoods of small business and local commercial activities, social protection and coverage of needs for people with disabilities and elderly.

3. National L&D Databases

Many developing countries have focused on setting up national disaster loss and damage databases through different tools, incluidng the DesInventar open-source platform. This has included extensive engagement between national disaster management agencies together with key ministries dealing with environment, health, public works, transport, agriculture, statistics, and others, and with support form different partners. Starting in the early 1990s at La Red DesInventar open source tool has been developed and implemented across countries to build their disaster information management capacities, with support from UNDP, OSSO and other organization. Following the adoption of the Sendai Framework for Disaster Risk Reduction in 2015 and agreement of the 7 targets and 38 indicators, UNDRR has been supporting countries with the monitoring of the targets and indicators, including through the development of a DesInventar Sendai.

Several of these L&D databases are institutionalized in countries and have been managed by respective national governments for over 10 years. For example, DIBI in Indonesia since 2009, DesInventar in Sri Lanka since 2009, CAMDI in Cambodia since 2014, and so on. They are now an integral part of the national planning and decision-making systems, also offering a significant contribution to building resilience. Globally, to date, over **100 national L&D databases** have been established spanning the Asia-Pacific, Africa, Arab States and Europe and the Commonwealth of Independent States (ECIS) region. Several of these databases are hosted at DesInventar Sendai website managed by UNDRR. Given the relevance and importance of recoding loss and damage in the countries, UNDP, UNDRR and WMO are collaborating with partners to develop the next generation of disaster loss and damage tracking systems. This would be aligned with the digital maturity of countries and utilzing the latest technologies to record and analyze hazardous events and disaster losses and damages.

As elaborated in the figure below, in rolling out the systems the National Disaster Management Agency (NDMA) plays the leadership role in consultation with several other line ministries and other stakeholders,

such as respective national societies and other associations. Under the leadership of the NDMA and with technical support from development partners, format for data collection is finalized and the past data is collected from national, provincial, and sub-national entities. Finally, analysis of the data derives useful insights and findings and shares these in a national workshop. Using the capacities built, the NDMA continues to collect the data and use the analysis for supporting planning, decision-making and other risk reduction processes, including post-disaster recovery.

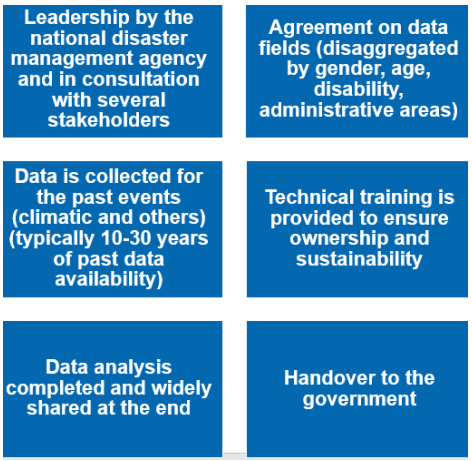


Figure: Generic process for national L&D database

Given the increasing impacts of, and interconnectedness between, both rapid and slow onset events, these national L&D databases can be leveraged to record the impacts of all types of hazardous events.
In the medium to long term, this will provide national governments with a more holistic view of the losses and damages and help them plan and implement coherent strategies and action plans, integrating disaster risk reduction and climate change adaptation to reduce losses and damages. Guided by agreed international standards and protocols, this recording practice of loss and damage in the countries can significantly improve harmonized reporting and transparency, inform polices and provide support to various climate-related actions.

[i] The use of the recovery, rehabilitation and reconstruction phases after a disaster to increase the resilience of nations and communities through integrating disaster risk reduction measures into the restoration of physical infrastructure and societal systems, and into the revitalization of livelihoods, economies and the environment