

# TYPHOON YOLANDA—ONE YEAR ON

## From Relief To Recovery To Reconstruction

ADB

Twelve months after Typhoon Yolanda (Haiyan), the impact of international, national, and local relief and recovery efforts are clearly visible. Progress across affected regions reflects the resilience of the Filipino people and the unprecedented humanitarian response from development partners and hundreds of international agencies, NGOs, and the private sector, either in collaboration with government, or assisting communities directly.

Every week we see improvement on the ground, despite the fact that national agencies and local governments themselves suffered heavy losses from Yolanda in terms of personnel, infrastructure, and equipment.

While many things could have been done better, much was done well, building on postdisaster experience from the Asian Tsunami of 2004 and previous Philippine typhoons *Ondoy* and *Pepeng*. In record time, the government, with direct technical support from Asian Development Bank (ADB) and other partners, prepared the *Reconstruction Assistance on Yolanda Build Back Better* (RAY), which enabled Philippine Congress to approve additional budget spending of more than P130 billion (equivalent to US\$2.9 billion) for 2014 post-Yolanda recovery and reconstruction.

Implementation of projects is proceeding under the *Comprehensive Rehabilitation and Recovery Plan* (the Recovery Plan) prepared and coordinated by the Office of the Presidential Assistant for Rehabilitation and Recovery (OPARR). Based on RAY, the Recovery Plan is using a cluster approach, grouped into: (i) livelihoods and business development; (ii) housing and resettlement; (iii) social services; and (iv) infrastructure.

Of the P171 billion required for the Recovery Plan, P65 billion is immediately available from the 2013 and 2014 budgets, and Department of Budget Management (DBM) has already released P39 billion. A further P80 billion is available from loans and grants from ADB, the World Bank, and the Japan International Cooperation Agency (JICA).

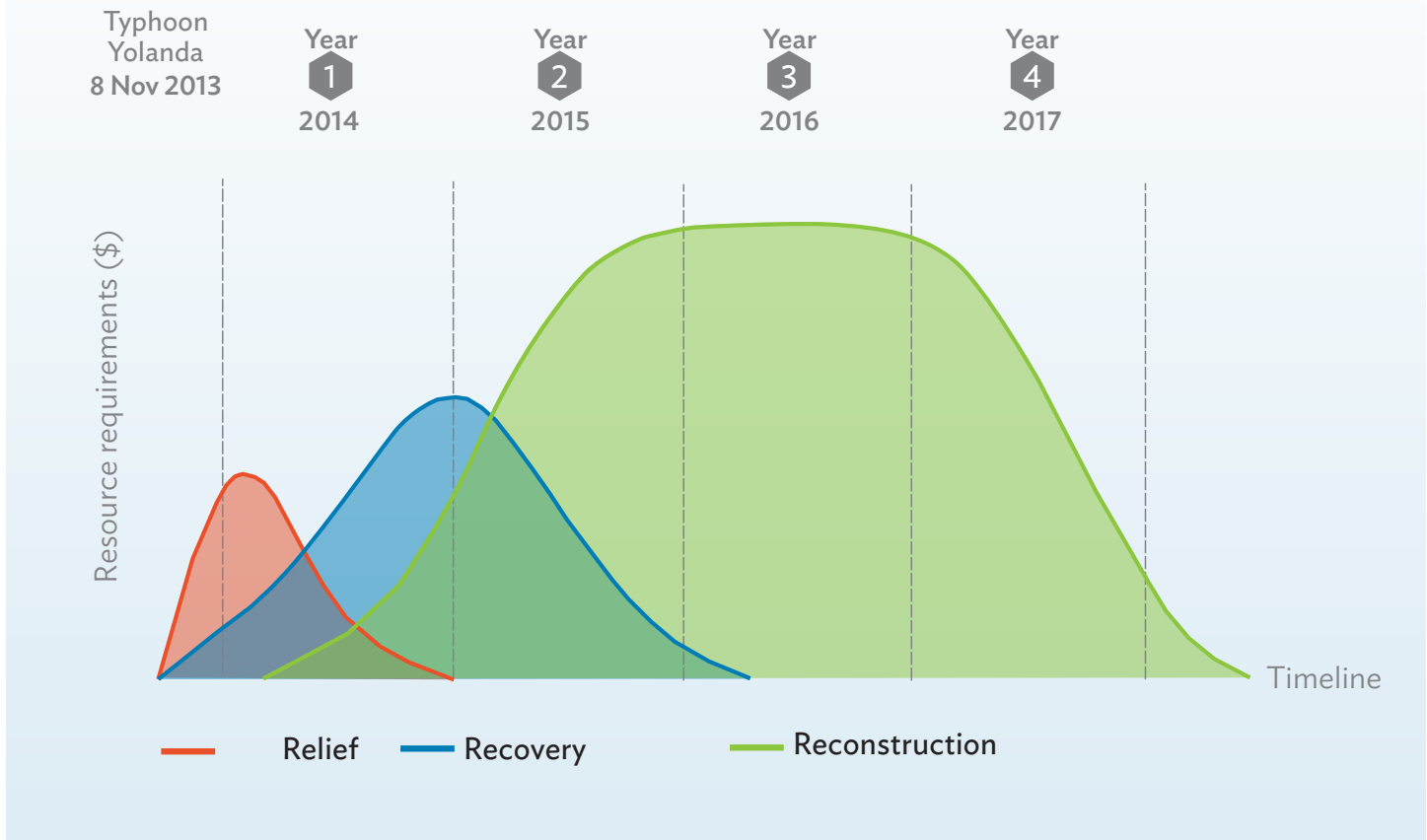
There is real focus on long-term forward planning to try to ensure comprehensive and coordinated recovery. However, the medium- to long-term reconstruction effort, now beginning in earnest, faces significant challenges due to delays in resource availability, project readiness, and capacity limitations.

### FULL RECOVERY TAKES TIME

While expectations for rapid rehabilitation are high, recovery from a disaster of the magnitude of Yolanda is a tremendous challenge, and will remain so for several years to come. The postdisaster period can be categorized into three phases: moving from immediate relief through recovery to reconstruction. **Relief** addresses immediate survival and humanitarian needs. **Recovery** assists communities to restore shelter, basic services (such as education and health) and livelihoods (including agriculture, fisheries and small businesses). The longer-term process of **Reconstruction** aims to assist communities to fully recover to pre-disaster levels of economic activity, incorporating the principles of “build-back-better.”

A 4-year time frame was estimated in RAY: *Build Back Better* for recovery and reconstruction in light of the disruption to economic functions, supply chains and logistics, and limited human capacity to manage disaster recovery. Additional factors are the time needed for adequate and detailed planning, matching funds flow from the national government with viable reconstruction projects prepared by local governments, and establishing reconstruction implementation capacity.

## FROM RELIEF TO RECOVERY TO RECONSTRUCTION



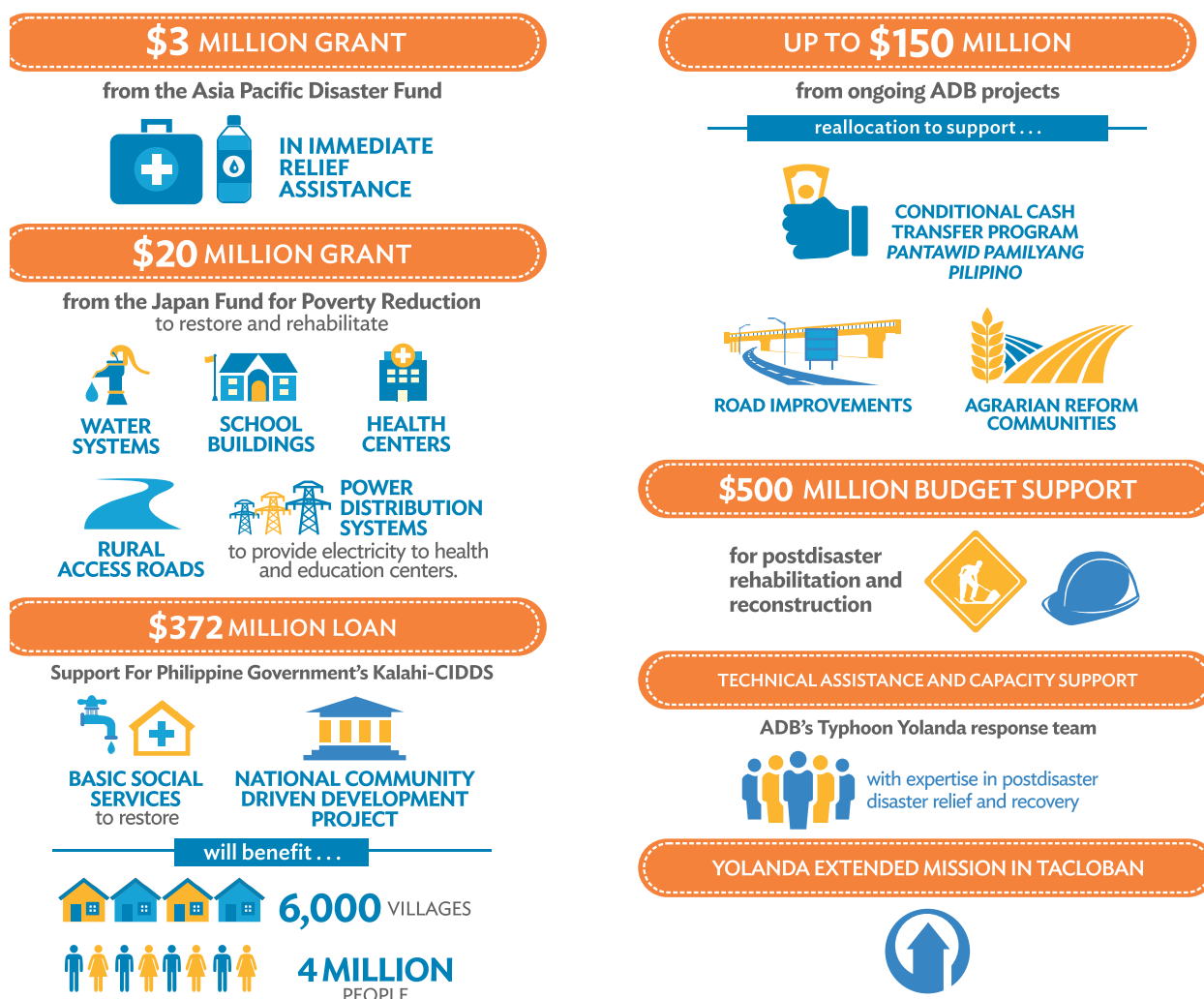
Four to 5 years for reconstruction is typical of disasters of the scale experienced from Typhoon Yolanda, and full economic recovery will likely extend beyond the reconstruction phase. As seen in above figure, the recovery phase is in progress and now entering the reconstruction phase.

## FUNDING RECONSTRUCTION

As reported by OPARR, fifteen multilateral and bilateral agencies have committed funds for Typhoon Yolanda reconstruction through loans, grants and technical assistance resources to support long-term recovery and reconstruction. The top three contributors include ADB, the World Bank, and JICA.

ADB's assistance has been wide-ranging. More than \$900 million in emergency grants and loans were designed and approved in record time, and ongoing ADB-funded projects have been prioritized to respond to needs in the Yolanda-affected areas. These include resources of approximately \$150 million for road improvement, agrarian reform, community driven development and conditional cash transfers. ADB's Yolanda response team continues to provide the government with technical assistance and capacity support.

## ADB ASSISTANCE



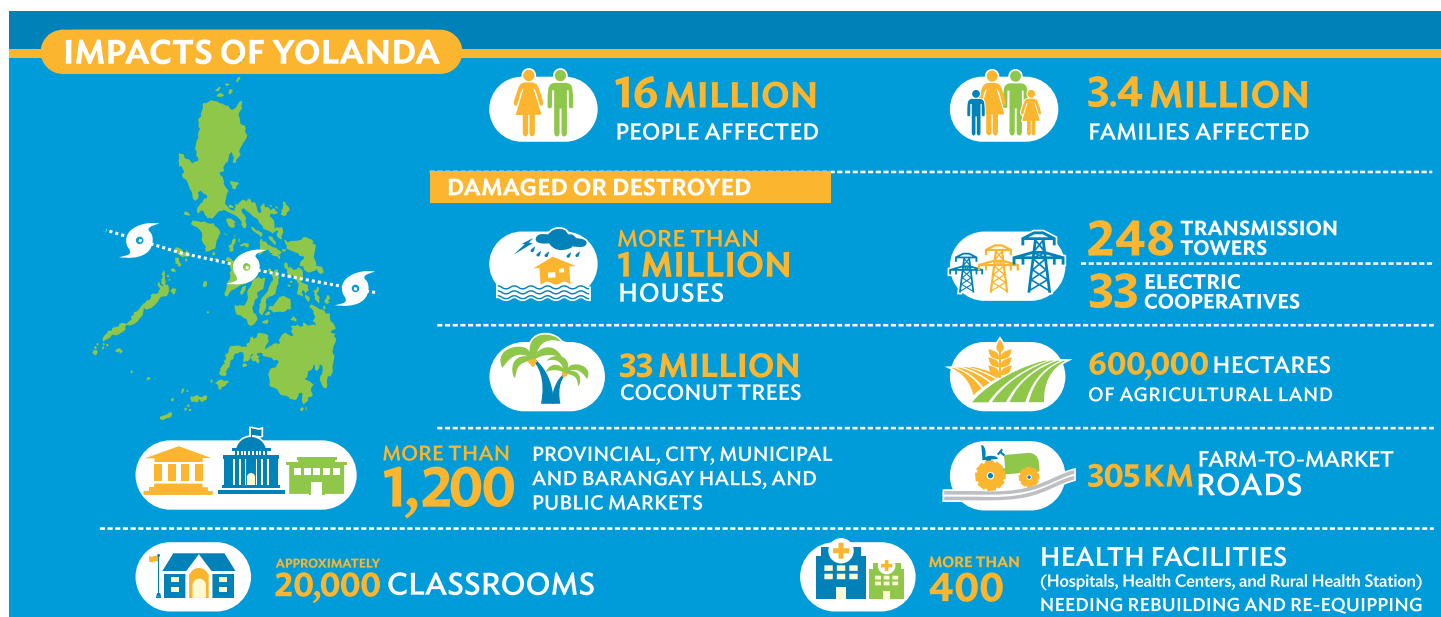
ADB will also administer the Typhoon Yolanda Multi-Donor Trust Fund established by the government to pool donor resources and deliver reconstruction grant financing and technical assistance promptly and effectively to Yolanda-affected areas.

## REMAINING CHALLENGES

Despite the efforts of the government, international community, and private sector to date, the recovery and reconstruction from a disaster of the magnitude of Yolanda remains a significant challenge. While basic needs are being largely met through temporarily repaired infrastructure such as schools and clinics, some affected communities still need short-term, recovery and transitional assistance. However, mobilizing the resources to address longer-term housing, resettlement and livelihood needs is substantial and urgent.

Additional funding is needed to restore the economic and social conditions of affected areas to a higher level of disaster resilience. Providing safe, affordable resettlement, re-establishing rural and urban livelihoods, restoring rural market chains, and recapitalizing small and medium-sized enterprises will be critical to ensure a full recovery. This massive recovery and reconstruction effort will need to be funded on a long-term basis from different sources

including government resources, multilateral loans and grants, national and international NGOs, the private sector, and the Typhoon Yolanda Multi-Donor Trust Fund. It is worth restating the scale of Yolanda's impact:



The absolute level of funding needs for private sector recovery continues to be assessed but there is an urgent need to ensure the necessary policies and mechanisms for access to finance are quickly identified and available especially for housing, livelihoods, and businesses.

## HELPING YOLANDA VICTIMS BUILD BACK BETTER

Responding to disasters like Typhoon Yolanda continues to provide lessons for both the government and development organizations like ADB. With every disaster, we revalidate how important it is to conduct a rapidly implemented, initial damage, loss and needs assessment, such as *RAY: Build Back Better*. The assessment provides a guiding framework for recovery planning and helps with funding from international donors and government budgets. We learned that simple project designs with simplified and flexible implementation procedures are essential, and that understanding government capacity pre- and postdisaster can help prevent bottlenecks.

Typhoon Yolanda will not be the last megadisaster in the risk-prone Asia and Pacific region. Every day is important when restoring lives and livelihoods and a business as usual approach will not work. Maintaining an emergency response mentality throughout recovery and reconstruction will make a major difference to how quickly families and communities recover from disaster.

### About the Asian Development Bank

ADB's vision is an Asia and Pacific region free of poverty. Its mission is to help its developing member countries reduce poverty and improve the quality of life of their people. Despite the region's many successes, it remains home to approximately two-thirds of the world's poor: 1.6 billion people who live on less than \$2 a day, with 733 million struggling on less than \$1.25 a day. ADB is committed to reducing poverty through inclusive economic growth, environmentally sustainable growth, and regional integration.

Based in Manila, ADB is owned by 67 members, including 48 from the region. Its main instruments for helping its developing member countries are policy dialogue, loans, equity investments, guarantees, grants, and technical assistance.