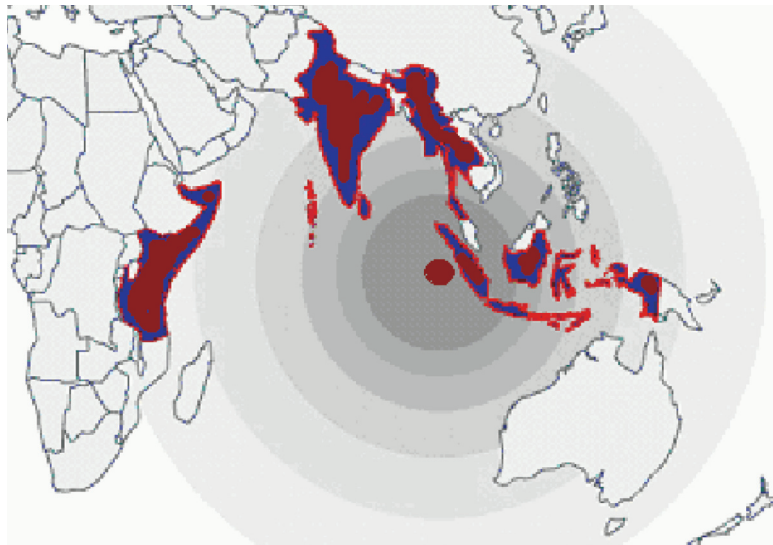


Tsunami Evaluation Coalition (TEC)

The International Community's Funding of the Tsunami Emergency and Relief



Local Response

Overview

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Executive Summary

The response to the death and damage caused by Indian Ocean Tsunami on December 26, 2004 has been exceptional. The donors have poured more than US \$11 billion into relief and reconstruction. The Study gathers anecdotal information on and dimensions the sources and levels of financial, in-kind and service flows to communities of four of the countries affected by the earthquake/tsunami – India, Indonesia, Sri Lanka and Thailand.

Indonesia has received US\$ 7.1 billion in pledges of which US\$ 3.6 was “effectively available.” Debt relief amounting to US\$ 397 million was also made available for reconstruction.

Sri Lanka has received a total pledged amount of US\$ 3.2 billion, out of which US\$ 2.2 billion was for earthquake/tsunami reconstruction and US\$ 1.0 billion for budgetary support, 90 % of which were provided as grants. US\$ 300 million debt relief was provided from donors as well.

The official position of the Indian & Thai governments was not to request international assistance. Support was selectively requested from multi-lateral banks. NGOs were sanctioned to offer assistance as well.

India estimated that the total amount of funds required for the Tsunami Rehabilitation Program (Fund) was estimated as Rs. 9,870.25 crores (US\$ 2.46 billion). It comprises Rs. 63.6811 Billion (US\$ 1.59 Billion) for affected States and Union Territories administration of Pondicherry and Rs. 35.0214 Billion for Central Ministries (US\$ 87.5 Million), including provision of Rs. 26.7691 Billion (US\$ 66.92 Million) for Andaman and Nicobar Islands (ANI).

Royal Thai Government: According to available information the total amount of relief and reconstruction budget for Tsunami from Royal Thai Government was estimated as US\$ 1,752,714,781 and Thailand has received a total amount of US\$ 83,066,951 from International Organization

UN-OCHA reports: As of November 14, 2005, The Office for Coordination of Humanitarian Affairs (UN-OCHA) has received notice of US\$ 6,139,498,197 in Commitments and Contributions and an additional US\$ 624,887,003 in Uncommitted Pledges for a total of US\$ 6,764,385,200 for relief and reconstruction activities for the affected countries. UN-OCHA has compiled this financial data based on information provided by donors and appealing agencies.

Conclusions/Lessons:

The role of the domestic capital market in recovery and reconstruction can be crucial, but to date is overlooked. Investing in reconstruction bridges relief and development. Accessing the domestic capital market by formal and community-based financial institutions is a strategy to bring capital, as needed, to reconstruction efforts establishing the flow of resources from the market through finance entities to end-users. Seed capital from the generous grants provided for tsunami reconstruction can jump start the process by capitalizing local finance entities.

Relief operations need focus to better use funds, goods, and services. It should never happen again that used winter garments, out-dated medicines and broken toys and other debris from donor countries be distributed to affected families as part of a “job-well-done.” National Disaster Management Offices should develop their capacities to better inform donors of useful material goods that will be helpful and accepted by disaster “victims.” The existing information systems need attention. This requires that the information base for relief, response and reconstruction be prepared in a participatory manner that takes time, money and effort. Such an information base is an investment in a nation’s future well-being.

For a more comprehensive picture of local response, work needs to be done to include: 1) the growing role of the military in relief and reconstruction especially infrastructure; 2) private sector activity and funding need a voice and a collective presence; and 3) affected-community self-help initiatives and financial contributions that are usually overlooked in determining the true cost of relief and reconstruction.

A functioning database for program activities and funding needs can address redundancies, over-compensation and competitiveness amongst competing NGOs and others all of which affect well targeted funding flows. Financial accountability requires political support.

Rectifying broader development issues during a disaster situation is counter-productive. The recovery process can not solve problems that in normal times remain impervious to the regulations, controls and/or policies sought such as certified wood requirements, coastal zone management and over-fishing.

Recommendation:

- a. Institutional Development: Entities need to carry out proactive investigation into the vulnerabilities of communities, the private sector and government to establish the need for and prepare requirements of relief and reconstruction systems in addition to their programs of preparedness, risk management assessments, action plans development and simulations they may currently carry out.*
- b. Reconstruction Partnerships: Local governments need to be engaged as respected, equal partners by national governments (as did India) and NGOs in response and reconstruction activities. Local government can guide inputs for support from Government, INGOs/NGOs, and the private sector for priority investments.*
- c. Transition to Sustainability: The disaster response and the development communities have to learn to work together to better address the necessary transition from charity-driven, short term relief to sustainable development programs.*
- d. New Shelter Reconstruction Strategy: A “Return Strategy” be evolved that features and finances the return of affected families to their original sites to initiate reconstruction as soon as possible. The new strategy would support the return to a familiar routine as opposed to a “Relocation” and “Temporary Shelter” policy that can create dependencies. A return strategy would have a profound influence and target cash for work, food for work and other local economic development programs in support of reconstruction.*
- e. Keep the Reconstruction Agenda Clean of Barnacles: Pledging conferences are of little use if funding flows are held hostage to development and political issues unrelated to the needs for recovery. Funds need to be set up in accounts that can be immediately accessed to get work started.. Building Back Better is still a desired goal but communication with the affected families by donors and government alike needs to improve to explain what is being done and why, and how long it will take and what the community can do during the planning process.*

Governments must develop the skills and systems to better manage disaster response and reconstruction and, the donor/NGO communities must develop the discipline to respond in a more coordinated collegial manner if response and reconstruction are improved as they need to.

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The International Community's Funding of the Tsunami Emergency and Relief - **Local Response Study**

I. Introduction

The response to the death and damage caused by the December 26, 2004 earthquake and tsunami is “unprecedented.” (Jan Egeland/ United Nations) “The donors have poured more than \$11 billion into relief and reconstruction.”¹ This study assesses the local response in that generosity as well as the impact of that generosity on local response.

The Local Response Study (Study) is one of seven “clusters of studies” that comprise the Tsunami Evaluation Coalition Study - The International Community's Funding of the Tsunami Emergency and Relief. The Study gathers anecdotal information on and dimensions the sources and levels of financial, in-kind and service flows to communities of four countries affected by the earthquake/tsunami – India, Indonesia, Sri Lanka and Thailand. The study features a series of Community Consultations to better understand the nature of and document the assistance to affected communities, families and individuals. The Study also captures issues and policies that influenced the flow of financial support to match resources and perceived needs from the perspective of the government, donor representatives and the selected communities. In some instances it is a scorecard of winners and losers.

To understand Local Response, one needs to accept that accounting for and coordinating earthquake/tsunami relief and reconstruction is more than a quantitative “audit,” a perception that became one of the principal constraints with which we had to deal in identifying national financial flows. “National flows” are defined as how governments consider them: resources that are provided as loans and/or grants from donors that flow through government as “on-budget” funds as well as government own-source funds derived from national sources and reserves. Financial tracking is presented as on-budget - going to and through national government, and off-budget – derived from NGOs, private sector and self-help from the affected families.

Strategic planning and project implementation were affected and determined by the scale of death and destruction in each of the Study's countries, and by the publicized pledge amount that raised expectations of governments, NGOs and affected families to unrealistic levels. Local Response was also dictated by “conditionalities,” usually well intentioned, that resulted in unanticipated negative impacts on financial flows and reconstruction implementation, such as the requirement of certified wood for reconstruction and the no-build buffer zones. Importantly, Local Response and financial flows were influenced by national, internal politics and affected-country, governmental external relations policies and aspirations that framed action and spending. Two countries, Thailand and India, chose not to request international assistance; and,

¹ *Tsunami aid hits record \$11bln* by Emma Batha, Alertnet Foundation, 23 Sep 2005

two countries, Indonesia and Sri Lanka, planned on receiving assistance as part of their recovery strategy, thereby creating very different Local Response scenarios which we discuss below.

II. Context

The scale of death and destruction in the four Study countries was as unprecedented as the response. The number of dead and missing is estimated to be 281,278 persons. The injured reached an estimated 188,236 persons; and those made homeless are estimated to be 1,187,935 men, women and children. Communities were flattened, and once-fertile agricultural land rendered useless by salt water intrusions swelling the numbers of vulnerable in the affected areas. The poor and the recently made poor are experiencing the greatest difficulties in re-establishing their life's routines. Widows, orphans and the elderly still require targeted programs to address their needs over the mid- to long-term programs that are only now being developed. The table below summarizes human and shelter impacts.

Table 1.1 The Impact of the Indian Ocean Tsunami 2004

	India	Indonesia	Sri Lanka	Thailand
Dead (including missing)	16,389	221,291	35,386	8,221
Injured	7,187	149,559	23,033	8,457
Homeless	210,000	539,385	380,000	58,550

(Source: Socio Economic Impacts of the Indian Ocean Tsunami 2004, ADPC)

In terms of impact the total damages and losses is estimated to be US\$ 9.327 billion. Indonesia was the most affected of the countries (US\$4.451 billion), followed by Thailand (US\$ 2.198 billion), Sri Lanka (US\$ 1.454 billion) and India (US\$ 1.224 billion.) Sri Lanka's Gross Domestic Product (GDP) was the most severely affected representing 7.6 percent of GDP, followed by Indonesia at 2 per cent, then Thailand at 1.4 per cent and India at 0.2 percent.

Table 1.2 Distributions of Disaster Effects by Countries in Million US Dollars

Country	Damage	Losses	Total Impact	Magnitude, Impact/GDP, %
India	575	649	1,224	0.2
Indonesia	2,920	1,531	4,451	2.0
Sri Lanka	1,144	310	1,454	7.6
Thailand	508	1,690	2,198	1.4
Total	5147	4180	9327	1.0

(Source: Socio Economic Impacts of the Indian Ocean Tsunami 2004, ADPC)

Damage represents the total or partial destruction of physical assets, such as infrastructure, buildings, furniture and equipment. Damage occurs at the time of the disaster, and is measured at replacement value, and

Losses are changes in Economic flows that arise as a result of damage. They include declines in production and sales or increased production costs; lower revenues and higher production costs in the provision of services; and increased expenditures.

The scale of response has been declared “unprecedented.” Flash Appeals, local collections, government budgets, NGOs, donors and the private sector have generated pledges and/or collected unimagined quantities for relief and some reconstruction and with it the need to push it out.²

Indonesia has received US\$ 7.1 billion in pledges of which US\$ 3.6 was “effectively available.” Debt relief amounting to US\$ 397 million was also made available for reconstruction³

Sri Lanka has received a total pledged amount of US\$ 3.2 billion, out of which US\$ 2.2 billion was for earthquake/tsunami reconstruction and US\$ 1.0 billion for budgetary support, 90 % of which were provided as grants. US\$ 300 million debt relief from donors was provided as well.⁴ According to the Ministry of Finance, tsunami related government expenditure is only 1% out of the total government expenditure of Rs.244 billion (approx US\$ 2,440,000,000) during January to May 2005 as illustrated in Figure 2. General Public Services 14%, National Security 14%, Provincial Councils 8%, Public Debt 24%, Welfare 14%, Tsunami Related Expenditure 1%, Capital Expenditure 21%.⁵

The official position of the Indian & Thai governments was not to request international assistance to government. Support was selectively requested from multi-lateral banks. NGOs were sanctioned to offer assistance as well.

India estimated that the total amount of funds required for the Tsunami Rehabilitation Program (Fund) was estimated as Rs. 9,870.25 crores⁶ (US\$ 2.46 billion). It comprises Rs. 63.6811 Billion (US\$ 1.59 Billion) for affected States and Union Territories administration of Pondicherry and Rs. 35.0214 Billion for Central Ministries (US\$ 87.5 Million), including provision of Rs. 26.7691 Billion (US\$ 66.92 Million) for Andaman and Nicobar Islands (ANI).⁷

Royal Thai Government: According to available information the total amount of relief and reconstruction budget for Tsunami from Royal Thai Government was estimated as US\$ 1,752,714,781 and Thailand has received a total amount of US\$ 83,066,951 from International Organization⁸

UN OCHA reports: As of November 14, 2005, The Office for Coordination of Humanitarian Affairs (UN-OCHA) has received notice of US\$ 6,139,498,197 in Commitments and Contributions and an additional US\$ 624,887,003 in Uncommitted Pledges for a total of US\$

² *Socio Economic Impacts of Indian Ocean Tsunami 2004, ADPC*

³ *The Jakarta Post, Jakarta, Indonesia*

⁴ www.Asiatribune.com/show_news.php?id=14469

⁵ *Local Response Study, Sri Lanka*

⁶ *Internal Documents from Government of India*

⁷ *Local Response Study, India*

⁸ *Local Response Study, Thailand*

6,764,385,200 for relief and reconstruction activities for the affected countries.⁹ UN-OCHA has compiled this financial data based on information provided by donors and appealing agencies.

For UN-OCHA a commitment is “a creation of a legal, contractual obligation between the donor and recipient entity, specifying the amount to be contributed;” a contribution is “the actual payment of funds or transfer of in-kind goods (and services) from the donor to the recipient entity;” and a pledge is “a non-binding announcement of an intended contribution or allocation by the donor.” (Refer to footnote 7) This distinction between pledged amounts and available resources is important for it contributes to understanding of local response financial flows and the implementation issues reconstruction confronts.

III. Findings

Jan Egeland, UN /Emergency Coordinator in an ALERT Net article stated, “The US\$ 11 billion, donors have provided over the last nine months is the most generous and most immediately funded international emergency relief effort ever. Donors are honoring their promises and the money not yet paid up was, by and large, always pledged for longer term reconstruction which will take years.” Dozens of governments, the World Bank and the Asian Development Bank have now paid or approved US\$ 5.7 billion – 80% of the US\$ 7.1 billion they promised. Egeland said donors had already met about 90 % of the United Nation’s own US\$ 1.28 billion tsunami appeal for emergency funds.” (Refer to footnote 1)

The following table summarizes the damages and losses suffered as a result of the earthquake/tsunami. The scale of damage and loss placed a new dimension on the need for logistical and administrative support. With the scale of need generating equally massive amounts of funds available for relief and reconstruction, governments were hard pressed to guide the assistance to its best effect. The numbers presented below, do not convey the scale of the devastation. One needs to stand in the areas flattened of Banda Aceh, flattened by the tsunami to understand the magnitude of the event in Indonesia and the other affected countries; its impact on the survivors; and, the challenges that lies ahead to rebuild.

Table 2.1 Damages and Losses Suffered because of the Earthquake/Tsunami 2004

	Indonesia	India	Sri Lanka	Thailand
Human Impact				
Number of dead persons	221,291	16,389	35,386	8,221
Number of injured persons	149,559	7,187	23,033	8,457
Number of persons in temporary shelters		42000 fam units		
Number of people who are homeless	539,385	210,000	380,000	58,550
Number of people who have lost production means or livelihood		644,930	380,000	
Social sectors				

⁹ http://ocha.unog.ch/fts/reports/daily/ocha_R10_E14794_05110621.pdf

Number of houses destroyed	127,325		161,719	3,302
Number of houses damaged	151,653	153,585	87,993	1,506
Number of affected schools	2,065	327	190	
Number of affected hospitals and health centers	43	100	82	
Number of affected cultural/historical heritage centers				
Infrastructure				
Number of affected water supply systems	774	33	9	19
Number of affected wells in rural areas	60,000	300	62,000	149
Number of affected Hand Pumps	15,000	1,158		
Number of affected latrines and septic tanks in rural areas		90	30,000	
Number of affected power supply systems	90,000		70,342	69
Kilometers of roads affected	1,937		6,901,180	
Number of bridges affected	437	1	10	35
Kilometers of railroad lines affected			20	
Number of docks and jetties affected	9	9		38
Number of affected airports	4			
Number of vehicles affected (cars, trucks, buses, railroad stock)	29,800			
Productive Sectors				
Hectares of land affected	7,500			
Hectares of crops affected	31,100	8,000	2,310	2,529.58
Number of affected irrigation systems			25	
Number of livestock affected (cattle, poultry, etc)	2,544,300	61,809	72,550	1,3490
Number of fishing boats affected	20,600	75,338	15,600	5,985
Number of shrimp and other farms affected		400 ha		1,039.6 billion baht
	80,000 and 311 mkts			
Number of affected commercial shops				4,909
Number of hotels affected and number of rooms involved			242ho 7,500rooms	
Environmental Impact				
Hectares of affected coral reefs	97,250		patchy (see note)	slight 503.36 high 188
Hectares of affected mangrove forests	750		no data	slight 297.6 high 88.8
Hectares of sea grass affected	600		Minor	
Kilometers of beach affected (erosion, debris deposition, etc)	300			9.92sq km
Hectares of urban lands lost				
Hectares of rural lands lost				

Hectares of forest that received salt water	48,925			640
Hectares of farmland that received salt water	36,000			633.2

Note: Please note that the conversion of RAI to hectares was calculated from www.onlineconversion.com/area.htm
 (Source: *Impacts of the Indian Ocean Tsunami 2004, ADPC*)

Macro-economic Impact:

The macro economic impact is summarized below in Table 2.2

Sri Lanka:

The earthquake/tsunami impact on the macro economic performance for 2004 was not seriously affected. For GDP growth rate for 2004 was 5.4 percent. For 2005 growth rate of GDP will have to be revised down by one percent from 6.5 % to 5.4 %.

Thailand:

The Thai economy was expected to grow at 6.0 percent. The earthquake/Tsunami is expected to reduce the GDP rate of growth by –0.3 percent

India:

The Indian economy was expected to grow at 7.2 percent. The earthquake/tsunami is not expected to affect the rate of economic growth.

Indonesia:

The Indonesian economy is expected to grow at 5.4 percent. The earthquake/tsunami is expected to reduce the GDP rate of growth by –0.2 percent.

Table 2.2 Estimated Impact of Indian Ocean Disaster on Economic Growth

	India	Indonesia	Sri Lanka	Thailand
Pre-Disaster forecasted GDP Growth, %	7.2	5.4	6.0	6.0
Estimated reduction in GDP growth rate due to the disaster, %	..	- 0.2	- 0.6	- 0.3

(Source: *Socio Economic Impacts of Indian Ocean Tsunami 2004, ADPC*)

Government Response

The following presents a summary of the Local Response flows of resources, where possible by sector, and as accounted for by on-budget and off-budget allocations. For India and Thailand, countries that declined official reconstruction assistance, the planned percent of on-budget resources and own-source funds is approximately 66 percent of on-budget for India; and 21.10 percent for Thailand of the total estimated to be required.

Did the Local Response match the needs created by the earthquake/tsunami with the resources made available? What can be done with the amounts that seem to exceed “relief” requirements

and do these resources remain available in a form for use that supports longer term development issues related to disaster mitigation? These questions are addressed below.

India:

The total amount of funds required for the Tsunami Rehabilitation Program (Fund) was estimated as Rs. 9,870.25 crore¹⁰ (US\$ 2.46 billion). It comprises Rs. 63.6811 Billion (US\$ 1.59 billion) for affected States and Union Territories' administration of Pondicherry and Rs. 35.0214 Billion for Central Ministries (US\$ 87.5 million), including provision of Rs. 26.7691 Billion (US\$ 66.92 million) for Andaman and Nicobar Islands (ANI).

Components of the Fund: The sources for funding the program are the Rajiv Gandhi Rehabilitation package, Central government budgetary provision and external agencies.

The total proposal for Rs. 98.7025 billion (US\$ 2.46 billion) contains Rs. 33.4413 Billion (US\$ 83.6 million) of external assistance, Rs. 16.0701 billion (US\$ 40.175 million) under Rajiv Gandhi Package and Rs. 2.78 billion (US\$ 6.95 million) is provided under State Plans of Pondicherry and ANI.

The Joint Assessment Mission (JAM) of the World Bank, ADB & UN estimated the Tsunami Reconstruction requirement at Rs 53 Billion (US\$1.325 billion) excluding Andaman and Nicobar Islands. The Components covered under Tsunami Rehabilitation Program are permanent shelters, fisheries, agriculture, transport infrastructure, water supply and sewage, power & communication, social infrastructure, environmental protection and tourism.

Table 2.3 Sector-wise Requirements Assessed by Joint Assessment Mission (JAM) for Reconstruction (in \$ million)

	Reconstruction needs		
	Short term reconstruction	Medium term reconstruction	Total
Andhra Pradesh	26.0	46.6	72.6
Kerala	83.8	73.9	157.7
Tamil Nadu	248.6	619.7	868.3
Pondicherry	41.6	72.8	114.4
Total (by sectors)	400.0	813.0	1,213.0
Housing	160.0	329.0	489.0
Health and education	11.9	5.5	17.4
Agriculture and livestock	10.4	11.3	21.7
Fisheries	54.5	229.6	284.1
Livelihoods (Micro enterprises and other)	70.6	108.1	178.7

¹⁰ Internal Documents from Government of India

Rural and municipal infrastructure	23.5	74.0	97.5
Transportation	41.5	27.7	69.2
Coastal protection	19.5	18.6	38.1
Hazard risk management	8.1	9.2	17.3

(Source: JAM estimates on the basis of states' statement and memoranda from the internal document of Government of India)

The amount provided by external agencies is only Rs. 33.4413 billion (USD 763.50 Million) comprising Rs 23.14.8 Billion (USD 528.5 Million) from the World Bank, Rs 8.98 Billion (USD 205 Million) from the Asian Development Bank (ADB) and Rs 1.314 billion (USD 30 Million) from the International Fund for Agricultural Development (IFAD). This represents approximately 33 percent of the total requirement.

Compensation: The Rajiv Gandhi Rehabilitation Package provides a total sum of Rs. 36.4405 Billion (US\$ 91.10 million) which includes assistance for compensation and immediate relief measures Rs. 13.9780 Billion (US\$ 34.95 million); and for components of rehabilitation and reconstruction Rs. 22.4625 Billion (US\$ 56.156 million) and a loan component of Rs. 63.924 crore (US\$ 15.981 million). Of this, the central grant assistance under Rajiv Gandhi Rehabilitation Package available now for funding the reconstruction rehabilitation program is Rs. 16.07 Billion (US\$ 40.175 million)

Relief: The Prime Ministers Relief Fund - The National Contingency Relief Fund has been augmented by nearly US\$115 million and Prime Minister Manmohan Singh announced a relief of Rs one lakh (approx. \$2300) from the Prime Minister's National Relief Fund to the next of kin of each of those killed. Money sanctioned by state government is as follows:

- 450 crores (US\$ 11.25 million) towards the fishing sector
- About 65 crores (US\$ 16.25 million) for housing including acquisition of land
- 67 crores (US\$ 16.75 million) as ex-gratia for deceased
- 250 crores (US\$ 6.25 million) towards other relief measures such as cash doles, ration, livelihood restoration etc
- 1.5 crores (US\$ 375,000)towards resettlement of destitute, orphans and widows
- About 770 crores (US\$ 19.25 million) towards infrastructure.

Indonesia:

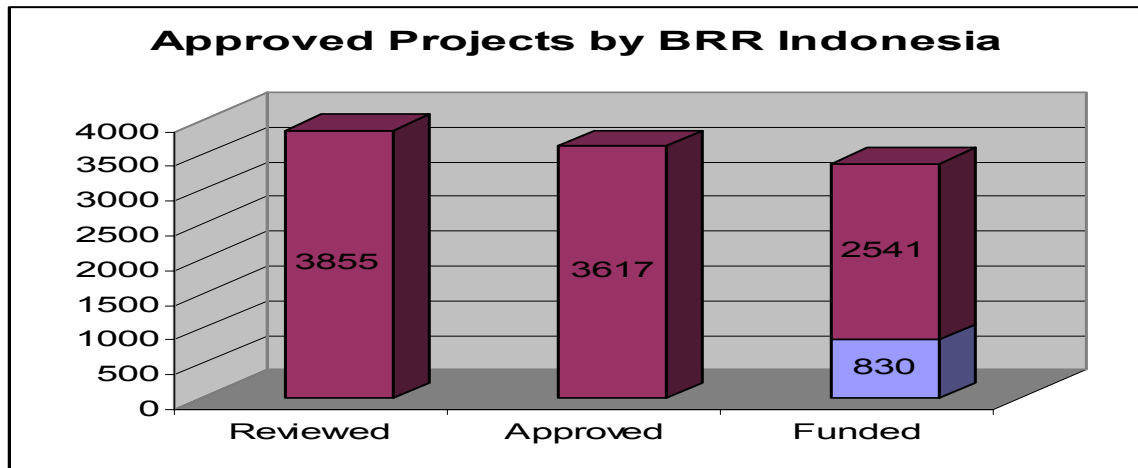
Of US\$ 7.1 billion pledged, The Rehabilitation and Reconstruction Agency (BRR) has reviewed US\$ 3.855 billion in concept papers; approved US\$ 3.617 billion; and, funded US\$ 3.371 billion of which US\$ 2.541 billion is off budget and 830 million in on-budget. Debt Relief amounts to US\$ 397 million.

FX (EX) rate of 1 USD = 10,000 IDR

The principal on-budget sources of funds include the Multi Donor Trust Fund, the Asian Development Bank, and bi-laterals such as USAID and the Netherlands as well as the amounts derived from the Debt Moratorium, and own-source funds. The Main Focus has been on

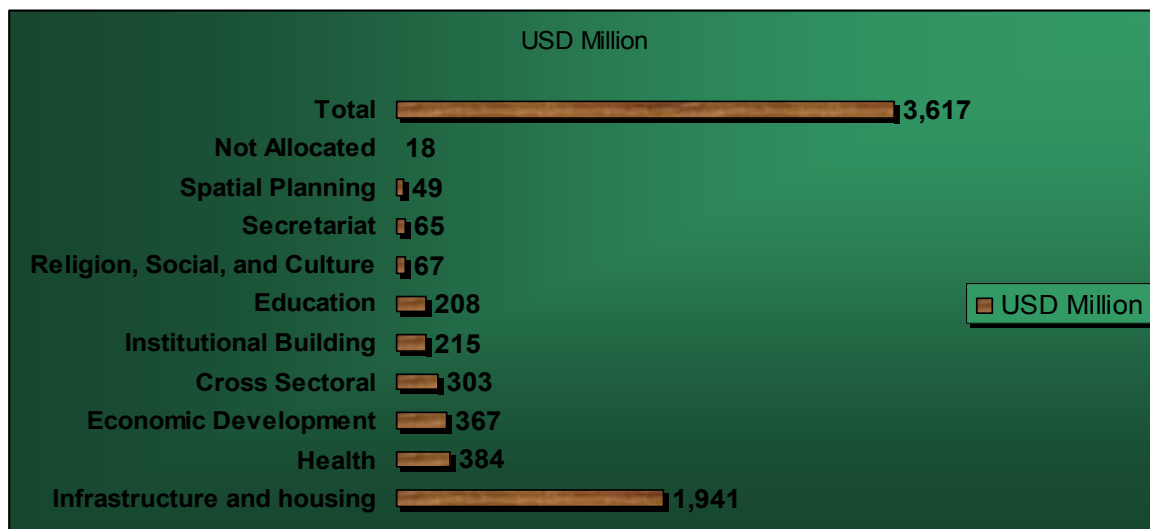
Housing and Infrastructure. The following table shows the status of the project approval process of the BRR for reconstruction.

Figure 1 The Status of the Approved Project Concept Notes by BRR



Of the Funded Projects US\$830 million is On-GOI Budget and US\$ 2.541 billion is Off Budget.

Figure 2 Approved Projects by sector.



(Source for Figure 1&2: Working Together For a better Aceh and Nias, presentation by Kuntoro Mangkusubroto, CFAN meeting, Jakarta, 04, October 2005)

Of the US\$ 3.617 billion, the top three sectors represent 74.4 percent of the approved projects or a total of US\$ 2.692 billion. Infrastructure and housing represent more than half - US\$ 1.941 (53.7%) of the approved projects; and health represents US\$ 384 or 10.6%; and economic development represents US\$ 367 or 10.1%. While resources have been pledged and projects

approved implementation has lagged for reasons discussed principally in the sections on implementation and constraints.

The International Community has shown great generosity. Table 1.6 presents the breakdown of the principal donors and International NGOs approved projects and funds available for additional projects to be approved by the BRR. The process established by the BRR is working to guide and match resources with needs. The discipline of Concept Note development by donor and NGOs is worth the effort to coordinate activities and avoid duplication and waste. It also allows the Concept Note to reflect the level of participation and community input into the project development and implementation process. The BRR is clear on its policy of participation and consultation and the Concept Note process is one means of promoting and verifying compliance.

Table 2.4 International community approved projects and funding levels In US\$ millions

	Approved Projects	Commitments/MOUs
NGO	982	982
Red Cross	320	600
Bi-lateral	679	1,414
Multi Lateral Donors EU, ADB, IDB, IOM	541	1,203
MDTF	307	450
United Nations	391	391
Government of Indonesia (Debt Moratorium)	397	2,100
Total value	\$3.6 billion	\$7.1 Billion

Sri Lanka:

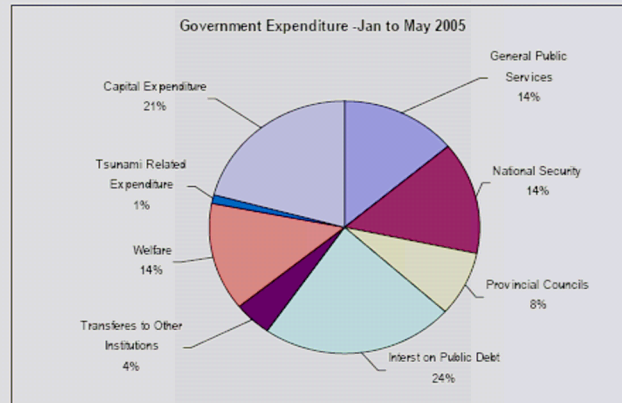
The government of Sri Lanka stated clearly that donor assistance is the base on which reconstruction is being built. The government of Sri Lanka has estimated incremental financing needs for reconstruction activities for Tsunami affected areas to be an estimated US\$1.5 to \$1.6 billion, excluded US\$200-300 million that GOSL has already spent on relief efforts. The government of Sri Lanka has been received US\$1,168.80 million of foreign aid for priority sectors. The government has so far disbursed only US\$158.34 million which is only 13.5%.¹¹

According to the Ministry of Finance the tsunami related government expenditure from the national budget is only 1% out of total expenditure of Rs.244 billion (approx US\$ 2,440,000,000) during January to May 2005 as illustrated in Figure 2. General Public Services 14%, National Security 14%, Provincial Councils 8%, Public Debt 24%, Welfare 14%, Tsunami Related Expenditure 1%, Capital Expenditure 21%.

Figure 3. Where government's money is spent

¹¹ Sri Lanka Study, *The International Community's Funding of The Tsunami Emergency and Relief – Local Response Study*, 1st November, 2005

Where government's money is spent



- The total Government expenditure from Jan –May stood at Rs 224 billion against Rs 191 billion in 2004.

Source: Ministry of Finance and Planning, Government of Sri Lanka

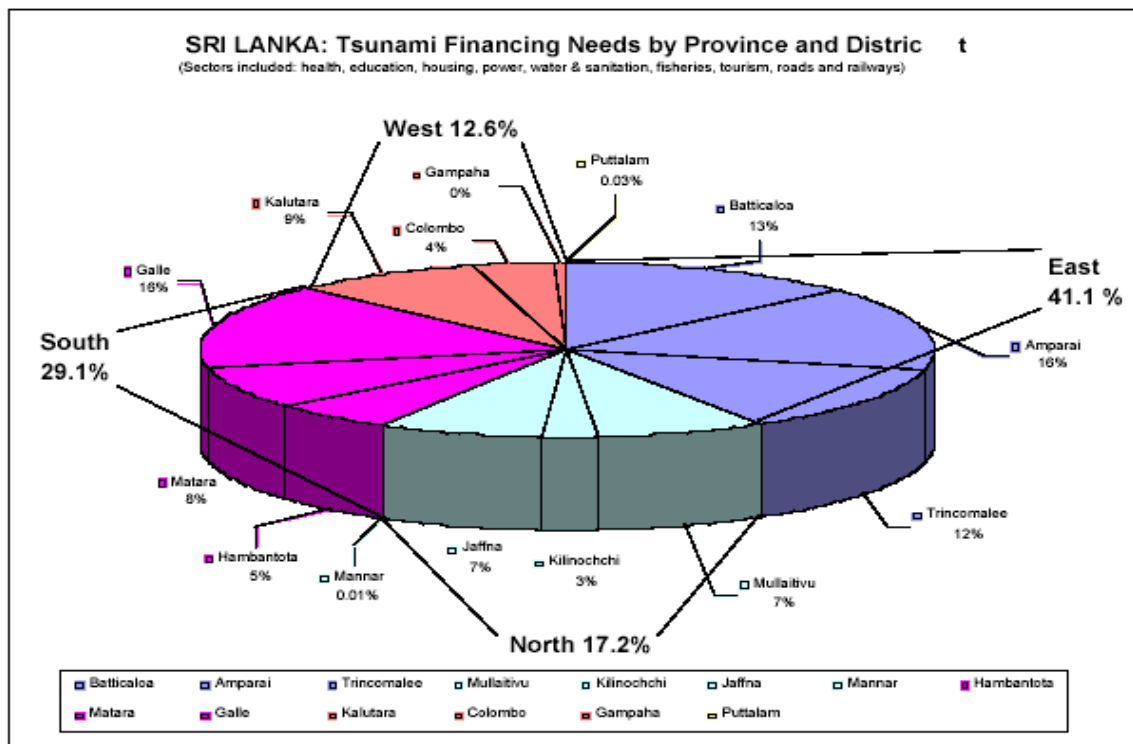
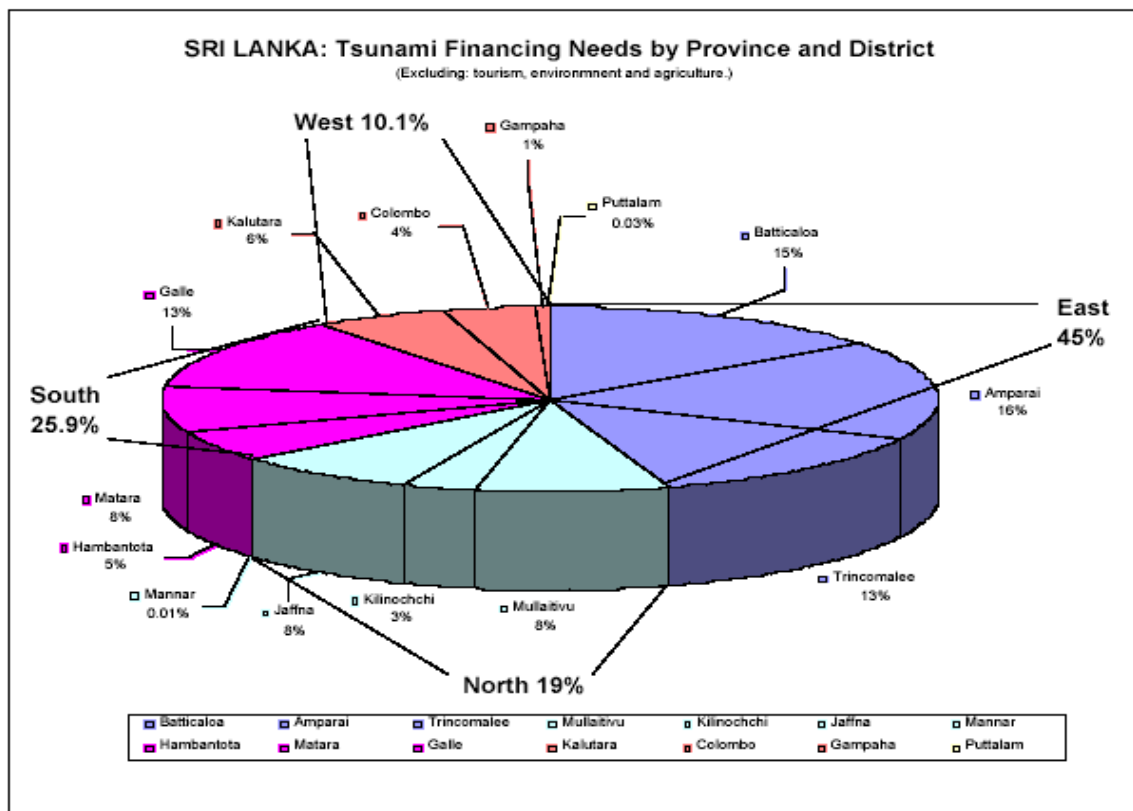
Donor support from bi-laterals and multi-laterals was later estimated to be US\$ 1.292 billion; NGOs US\$ 853 million; remittances to date US\$ 125 million. Debt relief amounts to US\$ 300 million which will be used by GOSL “to reduce the proportion of domestic borrowings in the National Budget which will in turn enable the government to reduce debt and facilitate the Central Bank to reposition the stock of reserve money consistent with the monetary growth of around 15 percent in 2005 and 14 percent in 2006. This will also provide domestic counterpart funding, if necessary, without resorting to borrowings.”¹²

The recent protest by fishermen in Sri Lanka reported in the Bangkok Post, October 25, 2005 sums up one of the critical issues local response needs to deal with better – transparency and expectations. Included in the more than 31,000 people killed across the island, were 7,222 fishermen more than 20% and destroyed more than 22,000 fishing boats. The demonstration was to voice the growing frustration fueled by expectations of more support based on the reported amounts of aid pledged. “What happened to the money the foreigners gave?” read one banner carried by protesters, referring to the US \$3.2 billion in international aid the government says was pledged.

The following figures present the Tsunami Financing Needs by Provinces and Districts in Sri Lanka.

¹² *Rebuilding Sri Lanka, Post Tsunami Recovery and Reconstruction Strategy, Page 20, Department of National Planning, Ministry of Finance and Planning, TAFREN*

Figure 4: Sri Lanka- Tsunami Financing Needs



Sri Lanka has received the projected budget of US\$64,079,922 and the expenditure has amounted to US\$28,830,000 in May 2005. Using disbursements as a proxy for implementation of the funds received as 20th May, 2005, less than half have been expended. Of the planned levels less than one-third has been expended.

Table 2.5: Sri Lanka Funding by sector (As of 20th May 2005 (Figures in US\$))

Sector	Project Budget reservation	Funds Received	Expenditure Amount
Education	20,984,543	20,984,543	8,242,000
Health & Nutrition	9,721,706	9,721,706	3,171,000
Disaster Management	312,581	312,581	63,000
Child Protection	5,783,448	5,783,448	1,506,000
Non-Food Items	5,934,332	5,934,322	5,934,000
Water Supply	12,843,538	12,843,538	6,403,000
Operation & Logistical Support	8,499,774	8,499,774	3,511,000
TOTAL	64,079,922	64,079,922	28,830,000

Source: Sri Lanka Study, The International Community's Funding of The Tsunami Emergency and Relief – Local Response Study, 1st November, 2005.

Thailand:

The Government of Thailand, like India, had declined offers of international assistance. The following table summarizes property damage by province.

Table 2.6 Property Damage by Provinces in US Dollars

No.	Province	Property Damage					
		No. of House Damage		Fishery (US Dollar)	Livelihood (US Dollar)	Agriculture (US Dollar)	Business Establish (US Dollar)
		Totally	Partly				
1	Phang-Nga	1,904	604	22,830,462	341,515	61,466	161,402,125
2	Krabi	396	262	4,792,413	8,131	8,572	67,091,295
3	Phuket	742	291	8,622,779	7,591	4,603	98,852,073
4	Ranong	224	111	4,268,450	76,228	15,902	20,750
5	Trang	34	156	374,500	1,085	45,967	165,000
6	Satun	2	80	2,984,843	6,090	29,125	-
Total		3,302	1,504	43,873,447	440,640	165,635	327,531,243

The Thai Government itself reported spending of approximately US\$ 9 Million on emergency assistance (UNCT, 2005)¹³ The Bangkok Post compiled Royal Thai Government spending on various projects in six southern provinces as presented below:

Table 2.7 Spending on Tsunami

Source of funds	Total fund USD	Fund spending USD	Tied-over spending USD
Gov's budget	9,518,718	6,969,436.27	
Public donations	32,055,046.25	12,383,132.67	3,000,180
Central fund	130,021,483.52	70,106,507	

(Source: *Tourism Firms Struggle to Survive* by Onnucha Hutasing, Bangkok Post, 3 September 2005)

In February, the government decided to trim its 5.9 billion baht funding (US\$147,500,000) for tsunami rehabilitation by 500-600 million baht (US\$ 12,500,000 – 15,000,000) as the government has found that fewer people were impacted by the tsunami than was estimated.

Updated information on total resources by sector from the RTG budget has been summarized in Table 2.8

Table 2.8 Relief by Sector

No	Sector	Amount (USD)	Amount (Baht)
01	Southern Disaster Victim Relief Fund, Office of the Prime Minister	24,221,976.97	968,879,079.10
	Provided to the committees of Southern Disaster Victim Relief Center	9,631,091.75	385,243,670.00
	Provided to other Sectors	14,590,885.22	583,635,409.10
02	Central Budget (2005) for emergency use	209,776,659.47	8,391,066,379.00
	The Committee for Relief of the 6 Southern Tsunami Affected Provinces	163,828,768.47	6,553,150,739.00
	The Committee for the Tourism business promotion in the Andaman coastal areas	27,525,000	1,101,000,000.00
	The Committee for Rehabilitation of the Natural Resources and Environment in the devastated areas	18,082,766	723,310,640.00
	The Committee for Installation of an Early Warning System	340,125	13,605,000.00
03	General financial support for the Local Administrative Committee	31,216,145	1,248,645,800.00
04	Loans from Ministry of Finance	1,487,500,000	59,500,000,000.00
	Total	1,752,714,781.45	70,108,591,258.10
			USD 1,752,714,781

¹³ <http://www.reliefweb.int/library/documents/2005/trn-tsunami-24Jun>

Table 2.9 Relief Budget from Government by Department

No	Province	Total resources by sector from budget				
		Department of Public Disaster Prevention and Relief	The Prime Minister's Office	Department of Fisheries	Ministry of Labour	Department of Industrial Promotion
1	Krabi	40,081,192	16,262,000	90,532,959	0	19,168,000
2	Trang	4,641,076	1,511,700	25,996,564	0	1,100,000
3	Phang Nga	165,518,649	34,507,700	148,366,583	4,293,106	12,800,000
4	Phuket	68,444,220	18,792,020	61,833,939	0	68,216,008
5	Ranong	36,815,727	2,929,000	47,976,327	0	1,195,000
6	Satun	7,685,308	233,000	67,049,230	0	40,000
Total		323,186,172	74,235,420	441,755,601	4,293,106	102,519,008

No	Province	Total resources by sector from budget				
		Department of Social and Welfare Development	Ministry of Education	Ministry of Finance	Total (Bahts)	Total (USD)
1	Krabi	11,000	3,344,000	0	169,399,151	4,234,979
2	Trang	22,000	20,305,300	1,010,406	54,587,046	1,364,676
3	Phang Nga	4,033,200	88,619,000	1,470,000	459,608,238	11,490,206
4	Phuket	1,490,500	6,227,000	850,000	225,853,687	5,646,342
5	Ranong	2,034,002	2,559,000	1,050,000	94,559,056	2,363,976
6	Satun	40,000	28,710,015	0	103,757,553	5,593,939
Total		7,630,702	149,764,315	4,380,406	1,107,764,730	27,694,118

Source: Data from Department of Public Disaster Prevention and Relief, 6th October 2005

No	Province	Total resources by sector from budget				
		Department of Public Disaster Prevention and Relief	The Prime Minister's Office	Department of Fisheries	Ministry of Labour	Department of Industrial Promotion
1	Krabi	40,081,192	16,262,000	90,532,959	0	19,168,000
2	Trang	4,641,076	1,511,700	25,996,564	0	1,100,000
3	Phang Nga	165,518,649	34,507,700	148,366,583	4,293,106	12,800,000
4	Phuket	68,444,220	18,792,020	61,833,939	0	68,216,008
5	Ranong	36,815,727	2,929,000	47,976,327	0	1,195,000
6	Satun	7,685,308	233,000	67,049,230	0	40,000
Total		323,186,172	74,235,420	441,755,601	4,293,106	102,519,008

The combined Total from the above tables is 3,322,678,037 Baht or USD 83,066,951

Table 2.10 Summary of the Data Relief Efforts to be Requested from Local and Foreign Agencies The 6 southern Tsunami Affected Provinces Relief Coordinating Center

Province	School		Hospital		Fishing		Agriculture	
	Place	Amount	Place	Amount	Region	Amount	Person	Amount
Phang-Nga			1	5,471,903.7	2,141	2,326,450		
Krabi	22	1,696,450	7	2,810,000	3	1,212,500		
Phuket	4	375,000	6	2,520,000	21	2,350,000		
Ranong	1	10,083.75	2	242,456.37	14	2,145,412.5	3	2,043,200
Trang	1	60,000			508	22,500	334	39,560
Satun					1,096	1,410,900		
Total	2,141,533.75		11,044,360.07		9,467,762.50		2,082,760	

Province	Livestock		Environment		Others	
	Item	Amount	Item	Amount	Item	Amount
Phang-Nga					32	52,800
Krabi			1	1,750,000		
Phuket			30	3,261,185	12	5,662,821.20
Ranong			4	147,500	1	9,050
Trang	1,500	6,075				
Satun						
			1	122,500	1	63,750
Total	6,075		5,281,185		5,788,421.20	

IV. Government Structures for Managing Financial Flows for Relief and Reconstruction

The following presents the different administrative arrangements meant to guide, monitor, track, coordinate, and/or control relief and reconstruction in their respective countries. Each has a personality that has had an effect on the financial flows and project implementation of relief and reconstruction.

India:

The Government of India strategy to manage the relief and reconstruction process was planned to be set up as follows:

To provide flexibility and arrangements for expeditious implementation, a Reconstruction & Rehabilitation Implementing Agency (RRIA) is to be established in each State/UT (except ANI). The Agency has an independent legal and financial status and will function under a CEO. It will be chaired by the Chief Minister/LG and will have a Governing Body comprising Ministers/Departments concerned from the State Government 3. The funds will flow to the state governments. RRIA is responsible for overall management & implementation of the program. The execution of works and the procurement of goods and services for specific components will be done by the responsible line departments with overall coordination and monitoring of RRIA.

Indonesia:

The emergency and relief operations in the affected province of Nanggroe Aceh Darussalam were managed through a structure created directly under the President of Indonesia. A National Coordination Body (Bakornas: Badan Koordinasi Nasional) at national level, an Implementation Coordination Committee (Satkorlak: Satuan Kordinasi Pelaksana) at provincial level and an Implementation Committee (Satlak: Satuan Pelaksana) at district level to manage civil and military assistance and contributions.

In NAD province, 1.412 units of government buildings or the equivalent of 75% of the total government premises were completely destroyed while 7.2% of them sustained major damage¹⁴. Offices collapsed, files and data were destroyed and lost, in addition to loss of lives of government officials from all levels of the municipal structure. This situation disrupted the government network for coordination of assistance, especially during the weeks immediately after the tsunami struck.

During this initial period the government utilized a Coordinating Committee under the national Development Planning Agency (BAPPENAS) which was in charge of coordination of the organizations providing assistance until the Rehabilitation and Reconstruction Agency for Aceh and Nias (BRR) was formed in April 2005 to take care of the rehabilitation and reconstruction activities. This agency has a four-year mandate to oversee the implementation of reconstruction and rehabilitation projects in the earthquake and tsunami affected areas and it is based in Banda Aceh, the capital of the NAD Province with branches in Nias and Jakarta.

BRR provides useful information on its Webpage that focused on NGO and donor activities mostly. However, conversations with SATKORLAC, the district level of the BAKORNAS, to ask for information on local government activities and for information on the military that had been passed to SATKORLAC to hand over to our Team remained barren even after special letters of introduction were prepared as requested by SATKORLAC for the national research teams. Then written requests for information were required. The effort to gather information finally resulted in SATKORLAC stating that it had “already been audited and therefore did not have to provide any information.” footnote

The local government structure comprises the city or district administration headed by the Mayor (Walikota or Regent/Bupati in rural areas), followed downwards by the Sub-district (Kecamatan)

¹⁴ Directorate General of Human Settlements, page 1, no date.

headed by the Camat, the village head (Keucik) and hamlet/neighborhood headed by the Kepala Lorong.

It is at village level that heads and leaders are more closely interacting with the affected communities to gather information and to join efforts to access assistance. In the locations where there are barracks or Temporary Living Centers, they have appointed a Barrack Coordinator and in some villages, for instance two in the villages included in the study, they have formed a Housing Reconstruction Committee (KERAP) which operates with funds provided by the Urban Poverty Project (P2KP).

During the past ten months, assistance came very much directly from the international organizations to the affected communities. The sub-district and neighborhood authorities were the most active entities as they were closest to the people. From the government side, the social and the health ministries as well as the public works ministry were the most active agencies, particularly in the distribution of food, cloths, provision of health care and restoration of basic infrastructure.

In response to the complaints of delays in the flow of funds to approved programs, the BRR plans to establish a special trust fund called the Reconstruction of Aceh and Nias Trust Fund to “cut short the process between sources of funds to the implementation in the field without sacrificing accountability and transparency.” (The Jakarta Post, Oct. 29, 2005)

Sri Lanka

In Sri Lanka, The Immediate relief effort was spearheaded by the Center for National Operation (CNO) set up in the Presidential Secretariat and based on the success of the earlier emergency relief efforts the Emergency Relief Response stage was shortened to 3 months. The CNO was disbanded in March 2005. The Task Force on Rebuilding the Nation, TAFREN, was set up in April and is in charge of the overall financial management of the reconstruction funds and coordination of reconstruction implementation working closely with the Ministry of Finance and Planning. It is organized on a sectoral basis focusing on reconstruction and rehabilitation needs in each specific sector.

In Thailand, the process was managed to the Prime Ministry Office and local communities total amount US\$1,752,714,781

v. Motivation

This Study postulates that Local Response is much more than a quantitative presentation of pledged, contracted and disbursed amounts. The Study includes on-budget (government/military) and off-budget (NGO/Private Sector/affected families) allocations not only as a rendering of accounts, financial flows, donors and priority sectors but takes a qualitative look at the variety of sources of support and expenditures, donor motives and limitations, and, what continues to influence matching changing needs with resources. This Study brings together resource coordination and project implementation issues for development and disaster relief and mitigation communities to consider. It is an opportunity to identify strengths and areas for

improvement of donor and NGO communities alike, as well as, the role of the community in the recovery process and the special requirements of vulnerable groups.

Qualitative issues include: national and international political decisions; the different donor agenda and priorities; and, the pressure of accountability, all of which directly impacted financial flows. The generosity of the response mentioned was born under a cloud of suspicion later on discussed. For now it is only necessary to assert that accountability gave birth to the concept of “signature infrastructure projects.” Signature infrastructure projects are single-activity concepts, usually major infrastructure like roads, contract managed (as opposed to “people-intensive”) that commit large, available sums to an attributable result, highly “visible,” that are clearly understood “results,” useful to show back home to constituents. Signature Infrastructure Projects significantly influenced priorities and financial flows.

Another motive of the Study is to suggest that charity while a noble cause is practiced top down and by now should know better. “Relief” organizations do short-term, charity activities that are usually “supply” driven – what we have is what you get. Examples of how donor motives and limitations frame the use of “their” donations are presented in the Fritz Institution Study “Lessons from the Tsunami: Top Line Findings.” From Reuters AlertNet article “AID by Numbers: Survey rates tsunami relief” 27 Sept., 2005, the Survey was carried out to get input from the “beneficiaries” asking the recipients their views on what has been provided. Some 40 % of the families interviewed in India and Sri Lanka said the aid they received in the first 60 days was untimely and inappropriate and 55 % of Indians said that the emergency clothing they were given offended their dignity, while 50 % of Sri Lankan said that the same about bedding and Shelter.

Is this looking a gift horse in the mouth and being “ungrateful?” That perception depends on the agenda of the donor. It should be of concern to affected governments for it affects the flows of much needed support but unguided or misdirected supply side donations are of questionable repute. An important recommendation is that before charity is shipped, donors must consult with governments that need to be prepared to establish and coordinate useful inputs not ones only convenient to the donor.

VI Purpose and Scope

A purpose of the Study is to look at how financial tracking is carried out and what might make it a more useful tool to good program implementation. One suggestion is to include in the tracking systems accounting for relief and reconstruction financial flows categories that expands the base from the usual NGO/donor/government set to include the military as a distinct unit; the private sector as disaggregated as it is; and, the affected families as well through their sweat equity. The Study features Community Consultations to understand the nature, methods and results of the assistance pledged and provided from the perspective of the local donor representatives, the local government and the selected communities.

The TEC Study Terms of Reference for the Local Response component includes:

- How much was donated locally by the public and to what sorts of organizations?
- How do local versus international organizations donations compare?

- How much came from state funds and from the corporate sector in the study areas?
- Estimate the value of self-help generated within the affected community and identify the local organizations and methods to finance recovery and reconstruction.
- What role did local NGOs and CBOs play and how did they compare with the international NGOs?
- What say have the local affected communities had in the spending of funds?

It is also the purpose of this Study to identify:

- Issues in moving from the “relief” phase of the “unprecedented response” to “reconstruction.”
- The structure through which local response flowed and the decisions that influenced the players - their roles and responsibilities.
- The methods of coordination and control on the use of funds

The Study presents the efforts by affected-country governments to guide, coordinate and control where funds would go to draw attention to unaddressed needs, big and small, and provide resources to cover them. The BRR in Indonesia and TAFREN in Sri Lanka give these governments the institutional tools to influence financial flows and match needs with support. That government approval of international entities to operate in a country and report on activities and issues can be enforced is clear; to apply those same requirements to national NGOs, the military and national private sector groups has yet to be successful for the national groups have not responded to the call to coordinate and submit their concepts for review and approval. This information is lost in the tabulation of support and their costs do not figure into the true cost of relief and recovery.

VII. Approach

Our approach was to build in-country teams to prepare country reports from original fieldwork carried out in communities selected for their illustrative contexts from which to draw observations and recommendations. Our efforts were also to generate from secondary source materials and interviews data on the supply side of the assistance pledged, contracted and disbursed. This study attempts to present more than just the usual sources of funds - government and NGOs - and includes data on the participation of the military, the private sector and the self-help efforts of the affected families. We are to present not just a rendering of accounts based on the UN sources, useful as that is, to present an incomplete picture since that accounting usually ignores the other sources mentioned above and avoids the true cost of relief and reconstruction.

Community consultations were carried out to determine the impacts of assistance provided and effects anticipated and not; to verify community and donor priorities and support provided; and to match donor policies and funding flows. We have mentioned the competition for Signature Infrastructure Projects as an expression of accountability and visibility.

The Work Plan included:

1. Application of the agreed upon Interview Protocol to the community consultations
2. Setting up an interactive e-mail communication network to facilitate the Teams communication
3. Establishing Country Teams' responsibilities that include:
 - Establish an information base on funding and donors – International, National, Local Government, Community, INGOs, local NGOs and private sector.
 - Prepare community profiles of the communities to be interviewed
 - Identify at least 20 communities to be interviewed based on variety of response and conditions and support levels received or not received
 - Compile, collate and assess collected information into a country team report

Illustrative Schedule of Activities and Level of Effort

- Standard Interview Protocol developed – 0.5 weeks
- Country Team Planning, community mapping, information base and work plan development – 1 week
- Country team orientation/training and field test of Protocol - 0.5 days
- Community interviews – 3 weeks
- Draft Country Team Report – 1 week
- Final Draft Local Response Study – 2 weeks
- DANIDA Review
- Final Report - 1 week

Our approach was not to “parachute” into a community or an office for that matter, for a quick interrogation and disappear forever. Our team received aggressive statements of “inquiry fatigue” with which we can sympathize. With expectations being raised with every visit by a “foreigner” to a community and with many not returning much less providing what had been promised in the short term, affected families have been very critical of those, wary of others and cynical of the “process.” It must be remembered that the reconstruction process of Bhuj, India after the earthquake there took two years to plan and take off. That this event of a much greater scale of devastation should be resolved much sooner is unrealistic and undermines the useful efforts to “build back better.”

VIII Methods

Our methods included seeking key secondary sources for the quantitative work and interviews at the community level to garner anecdotal information to verify what actually arrived to those communities; how (cash /in-kind) and from whom; and were the affected families involved in deciding their priorities for assistance and their financial flows. What we were soon to find out was that accounting for the flows that was so sought after was only beginning to be assembled through the DAD systems and the UN FINANCIAL TRACKING SERVICE on the Relief WEB. Other sources were consulted as well (see Annex---), especially the UN-OCHA system. But the OCHA system was limited to official donor flows. The BRR in Indonesia is now

beginning to assemble data on private sector contributions. Self-help contributions of the affected families is another fertile area for investigation for figures on their input is nowhere to be found.

The principal sites identified for supply side information on funding flows, progress and needs are in the Annex.

What remains is the need for further investigation into the military, private sector and self-help initiatives that are totally under-represented, ignored or disregarded. These components of assistance and response are ripe for further investigation.

Our method also attempted to clarify just what “Local” meant. Was it that “Local” meant national budget funds only or that it meant international support funds that flowed through government to its line ministries and/or others. Tracking of donor assistance and NGO support has been useful and available. Without any donor requirement for counterpart funds or sole-source funding for government priorities, one can only agree that if there was such an outpouring of support, why access national funds that could be programmed for other national needs and make the best use of the generosity of others. Interestingly, ADB support to Indonesia does have a counterpart fund requirement. The Asian Development Bank “Earthquake and Tsunami Emergency Support Program” (ETESP) is a grant program that includes US\$ 290.0 million as grant from the ADB, US\$ 3.5 million from the Government of Netherlands, and US\$ 28.0 Million as Government of Indonesia in-kind and cash counterpart funds.

The costs of military assistance are shrouded in mystery, or one is made to feel so, and it need not be. A clear example of the difficulty in tracking financial flows through the military is found in the USAID Fact Sheet of July 7, 2005 Indian Ocean – Earthquakes and Tsunamis which shows Total USG Humanitarian Assistance Committed (spent) to be \$ 132,423,926 with Footnote 3 indicating “the value of assistance provided by the U.S. Department of Defense is not included in this figure.” For a full picture that presents the true costs of how relief and reconstruction worked and was financed, the military needs to be included along with the efforts of the private sector and the affected families.

IX Composition of Teams

The Local Response Study built four country teams to carry out community consultations and to research financial information and programmatic experiences for lessons learned from secondary sources from the web and available documents. In addition to the team leaders each of who was a native speaker or fluent in the local language as much as possible, interviewers and researchers from the affected areas were identified and brought into the effort. Local language capability was the key to seeking data from government officials, local donor and NGO representatives and in conducting the community consultations. It was reported that our local researchers were questioned as to why they were asking questions, for whom and in one instance informed that the entity being interviewed was “already audited.”

The teams were:

In Indonesia, Ms. Liliana Marulanda/Team Leader; Forum LSM Aceh/Community Consultation Interviewers working in 4 teams (12 persons in all); and Dr. Syamsul Rizal/Syiah Kuala University (3 persons) researching national flows from secondary sources and interviews.

In India, the Environmental Planning Collaborative was contracted. Balachandran/Team Leader; Haran Sowmya/principal researcher

In Sri Lanka, Prof. Anoja Wickramasinghe (Peradenia University) was the team leader and Kamalini Fernando was the Principal Researcher. A team of nine interviewers were selected from the different affected regions (east, west and south) for they each have special conditions, ethnic groups and characteristics.

In Thailand, Dr Seree/Rangsit University was the team leader. His team of researchers and interviewers are students from his university with experience in the affected areas or are from there. Dr Seree was supported by Khun Montri of the Royal Thai Government/Department of Disaster Prevention and Mitigation.

x. Private Sector

The role and effectiveness of small NGOs, like the Muslim Women's Group and the Max Wadia Foundation in Sri Lanka, The Soroptimist International in Indonesia and private groups like the Rotary Clubs in Sri Lanka, Integrated Rural Development in India, usually fall through the cracks of the tracking systems consulted. These groups represent an important flow of funds for the direct benefits they provide; their limited overhead costs; the commitment of time to the communities in which they work and the level of participation of the affected families in deciding how resources will be used and those to whom it should go as first priority, second and so on.

The contributions of the private sector and small, local NGOs are usually lost in the calculations of local response. Funds flow in from Flash Appeals from external sources through local branches of business organizations such as the International Rotary Clubs, Soroptimist International, Chambers of Commerce and individual companies. There is only now a beginning to gather this much disaggregated data. Calls by national coordinating agencies usually focus on donors and INGO/NGOs. It is now that the BRR in Indonesia is beginning to collect data on private sector activities and seek out smaller local NGO efforts to include in the tally of national financial flows.

Presented below are selected examples of the variety and scale of private sector activities and local NGOs and their funding levels as just a hint of the suggested, significant flow of funds their activities represent.

India:

As early as 28 December, the private sector and individuals had begun contributing to the ongoing effort for the victims of the Indian Ocean Tsunami. Some companies had pledged money and others had offered their services. Infosys Technologies announced on December 28, 2005 a contribution of Rs. 50 Million (US\$ 1.25 million) to the Prime Minister's National Relief Fund. The Gulf Airlines and Emirates announced emergency measures to facilitate early departure of passengers stuck in Tsunami affected areas. Punjab National Bank decided to donate Rs. 50 million (US\$ 1.25 million) to the Prime Minister's Relief Fund. PepsiCo rushed out bottled water from one of its plants in India and planned to contribute an addition US\$ 1 million.

At the Global Business Dialogue Forum, Vikram Misri of the Embassy of India said his nation has "been touched and gratified by the love, the warmth, and the affection and the generosity that has been shown by the American people – ordinary citizens, the government who have brought to this disaster a very human face."¹⁵

Indonesia:

An Islamic School foundation from Maluku Tengah, Yayasan Pondok Pesantren Khoiru Ummah, donated 50 hospital beds to the Bireun district. The director of the foundation handed them over to the head of the district. The foundation also donated 15,000 tutorial books for elementary to high school students.

Kompas Daily, a newspaper in Indonesia, has provided 15 becak motor or three wheeler taxis for people in Banda Aceh to generate daily income. Fishing rigs were also provided for fishermen in Krueng Raya, Aceh Besar.

A project for the reconstruction of a middle school was inaugurated on September 08, 2005. This project is being funded by PT Gudang Garam Kediri, Indonesia's largest cigarette producer.¹⁶

Sri Lanka:

Private Sector activities abound similar to the following that made the Sunday Observer in Sri Lanka on Sunday, 18 September, 2005 that reported "Donation of Fishing Boats" The Rotary Club of Kandy has donated over 60 fishing boats each valued at Rs. 375,000 (US\$3,750) and will donate 12 more. This project has been estimated at Rs. 50 million (US\$500,000) and the Rotary has also undertaken many other projects in the Eastern Province.

DHL Keels (Pvt) Ltd responded to calls from governments, local authorities of the affected countries and international aid agencies in providing assistance in the deliveries of relief supplies and in extending humanitarian aid.¹⁷

¹⁵ *Private Sector, Individuals join Tsunami Relief Effort Dec 29, 2004*
www.hindu.com/2004/12/29/stories/200412906441200.htm

¹⁶ *Indonesia Relief News: www.indonesia-relief.org*

¹⁷ <http://www.lakehouse.lk/tsunami/intro/06-reliefaid.html>

TUI AG, the largest tour operator in Europe volunteered to donate EURO 1.25 million towards the long-term development of the areas affected by the tsunami.¹⁸

Samsung Networks gave US\$ 100,000 to tsunami victims.¹²

Thailand:

The Ricky Martin Foundation project is part of a larger Habitat program to benefit 1,000 tsunami victim-families in Phang Nga Province. The project, estimated at \$2.8 million, will be funded by the foundation gift and other donations to Habitat's tsunami relief fund. Work is expected to begin in April and be completed by March 2007.¹⁹

NEC Corporation (Thailand) donated two computer servers to the Thai government to identify victims of Tsunami. NEC TOKIN Electronics Thailand donations of cash for The Chaipattana Foundation. The company itself is donating water, clothes, and food to the Ministry of Industry, Pathumthani Province. NEC Infrontia Thai gathered employee cash donation for the Thai Red Cross. NESIC (Thailand) gathered employee cash donation for the Protecting Foundation.²⁰

XI. Implementation

In broad brush strokes the efforts of emergency relief in a situation of the scale and complexity of the earthquake/tsunami of December, 2004 indeed did better than worse. Governments and their military, affected communities, donors, the private sector and NGO efforts averted potentially massive health problems, clothed the naked, fed the hungry and put a roof of some kind over the heads of the homeless. The climate is not the issue that it is to earthquake reconstruction in Pakistan and India that may be the cause of as many deaths as the disaster events were. Therefore on the one hand the emergency response can be seen as a “success.”

On the other hand, could it have been done better with better attention to detail and vulnerable groups – yes; with less waste –yes; with a better focus on building opportunities of longer term development importance – yes; and could the donors have been more coordinated, responsive and participatory – yes. The examples of implementation issues presented below shows that implementation is still an issue that requires considerable attention from donors, government and civil society.

The retreat from development “projects” to Policy by donors with governments, unfortunately, following suit, especially in the shelter sector is responsible in part for the muddle that afflicts the response to shelter needs in disasters. This disaster left hundreds of thousands of people homeless. Shelter has garnered much of the relief and reconstruction donations but, also unfortunately, remains the principal sector blocked by policy and practice confusion. Shelter has become the orphan of the development agenda relegated to “slum upgrading.” That shelter reconstruction efforts stumble, therefore, should be no surprise, nor the fact that that shelter

¹⁸ <http://www.lakehouse.lk/tsunami/intro/06-reliefaid.html>

¹⁹ <http://www.interaction.org/newswire/detail.php?id=3927>

²⁰ <http://www.nec.co.jp/community/en/200501-tsunami.html>

reconstruction has not used available funds in a timely manner. A new approach to shelter response and reconstruction is required; one that puts affected families back on their plots as a matter of policy to focus their efforts on their shelter reconstruction. There are NGOs that have implemented a “return” policy and it is in those areas that more activity is being seen. Uplink CRS, Muslim Aid and Max Wadia Foundation, among others have started their work getting families back on their home sites. This return-to-site approach would deal with temporary housing, no-build buffer zones and loony prefab miracle shelter solutions quite differently than is currently the case.

The report from the Fritz Institute titled Lessons from the Tsunami: Top Line Findings, was carried out “to understand the dynamics of the relief operation and gather data to inform future relief efforts”. What the Fritz Report points out and what was identified and verified in our Community Consultations is that the institutional structure of the relief and reconstruction process made a difference. “Indian families expressed satisfaction with district-level administrators in providing and coordinating relief while Sri Lankan said the authorities were not helpful at all, especially the role of local government.”

With the generous response, entities have had to rethink what they do with all that money. The opportunity is now there to improve the continuity of support and the transition from emergency relief efforts to longer term more sustainable development reconstruction efforts. The IFRC has decided that its funds can be programmed over longer periods of time that will help in the transition from relief and reconstruction. World Vision initiated its efforts thinking in terms of a 3-5 year commitment to the communities in which they are working as did USAID/Indonesia support to international and local NGOs.

The Local Response Country Studies call for the development of institutional roles and responsibilities for a more concerted, cooperative way to reduce the chaos of response and the waste it creates. The distribution of “Shelter Kits” in addition to food, clothing and medicines by the military is something to consider. It is recommended that governments create “starter shelter kits” that would serve all NGOs and government shelter programs. This would be done to establish a consistent shelter “solution” for all affected families to avoid the usual disparities offered by different NGOs in sometimes the same community. The need to push out the money collected and the duplication of goods and services to some and abandonment of others are but a few of the results of an ill-informed, competitive donor community.

The Country Studies also identify the need to improve the capacity of local entities to not only generate resources for relief and reconstruction but to focus on their information base for decision making to guide planning and coordination. The Red Cross presented an example of duplication in the International Herald Tribune of the World Health Organization sending measles vaccinations to a village near Banda Aceh, Indonesia only to find that another organization had already vaccinated some children without leaving proper records. In addition to the duplication of efforts is the critical statement of “already vaccinated SOME (my emphasis) children” not ALL children. A potentially negative situation can certainly be the result of NGOs and others in only addressing the partial requirements of villages that will create “winners” and “losers”. The Soroptimist International experience in Banda Aceh is telling also.....

The BRR system is the Government of Indonesia's attempt to coordinate assistance and guide the flow of funds and in-kind resources to un-addressed needs. It has worked to partial success principally with International NGOs, bi-lateral institutions and multi-lateral donors. An entity registers itself with the BRR and presents a Concept Note that describes where, what, who and the funds level for sanctioning by BRR. With sanctioning, BRR approves the activity, establishes a time frame for working in the country, visas to do so that reflect the time limitations awarded and the requirement to present a monthly report to update and keep BRR apprised of its progress and flow of funds. In an interview with the BRR, their frustration with the compliance of their requests was clear. Some INGOs update their program, many do not, and worse, national NGOs and the local private sector do not report at all in the majority of cases. Tracking did not reflect the full picture.

In order to speed-up the implementation process in Indonesia, projects are being implemented with marginal involvement of sectoral offices at city level. Common practice of various organizations, both local and international, showed that they have sought approval from the local government (Major or Regent) through the signing of a MoU. After this they have presented a concept note for project approval to BRR, and after this proceeded to implement their projects directly at district and sub-district level. Most intensive coordination and interaction with provincial and local government departments was mentioned in the case of health and education projects.

For relief there is a sense that it went better than expected. The Fritz Report gave high marks to India and the Community Consultations gave the same to the Government of Indonesia. Thailand too has been given high marks as well for its efforts. The RTG efforts were largely focused on identification of bodies, evacuation of foreign nationals and treating the injured, had set the teams to facilitate the collection of DNA data to help identify missing people. The RTG has mounted an effective response operation; relief supplies appear to be reaching affected communities all along the Thai coast. However, for reconstruction that sense is not there. Problems of implementation abound related to procedures and administrative offices that are overwhelmed by the sheer numbers of applications, permits and requirements that have been requested. In Indonesia, the Jakarta Post reported on Nov. 1, 2005. "It is not BRR alone that has delayed progress on reconstruction and the use of funds. BRR has pointed the finger at the Ministry of Finance for delaying critical enabling legislation that would allow reconstruction to proceed.....There are four regulations on reconstruction that are still with the Ministry for reasons that are unclear. The regulations had already been approved by the national development planning board and the State Secretary's Office. Among the regulations is the free registration processing for land affected by the tsunami."

In Thailand, Some communities have been luckier than others and there lies part of the problem. You cannot rebuild one community and leave another desolate. The survivors know what they need most to be up and running as quickly as possible, but their voices often fall on deaf ears.

"A group of fishermen have not been able to work for 10 months because they have a few new boats but no village. These men need work and if we only gave them the tools to do it they

would have been back to the sea months ago. Instead, they have 60 truckloads of sand and instructions on what to do but they have nothing to move it with and no material to build the retaining wall, without which the sand will be washed away. But they have been told that they will not receive anything else until the sand is used. There is a small camp of 180 people just south down in Takua Pa and it is still there. There were temporary houses and tents and it is now a medical disaster waiting to happen. With the massive amount of aid money available, there is so little complete and visible on the ground.²¹

The Nation reported on November 12, 2005 on its front page: “Krabi’s Phi Phi Island remains a picture of devastation more than 11 months after the tsunami struck, but even so foreigners are returning for the high season....Lee Srinangad, coordinator of Help International Phi Phi said local investors who own hotels and resorts on Phi Phi had been hamstrung, unable to rebuild because they were waiting for a new city plan to be finalized by the Designated Areas for Sustainable Tourism Administration (DASTA). Begun in January this year, the plan has been through two public hearings, but there is still conflict between locals living on the island and central government. And with the plan mired in disagreement, all plans to rebuild Phi Phi are on hold.” A local restaurant owner after “months in limbo, decided to rebuild her restaurant by borrowing money from Micro Credit, a credit co-op founded by Swedish people looking to extend a helping hand to those hit by the tsunami. ...” I could not borrow money for a Thai bank, because they said Phi Phi was risky, but foreign funds provided an interest-free loan for my business. There’s a big difference between how you are treated by a Thai bank, predominately run by government, and how foreigners deem whether a business deserves a chance or not,” she said. Financial flows to local credit entities such as this would be a big step in the right direction to smooth the way between relief and reconstruction.

Land issues range from the successful community mapping activities described below to the issues highlighted in the following article. Land conflicts related to development rights and/or ownership directly affect reconstruction as reported in the following article: Help for locals fighting land grab: Phangnga _ Activists from tsunami-ravaged countries have pledged to help residents of Phangnga fight for their land, which influential people are trying to take away from them. Chetna Lakhoo, project coordinator of the UNDP's Tsunami Project-Support for Rehabilitation of Traditional Communities, was speaking after leading activists from Indonesia, Sri Lanka, the Philippines and Thailand visited the area to get first-hand information.²²

About 100 tsunami-affected people from Phangnga and Phuket rallied at Government House yesterday to ask the government to protect their seaside community land from influential people. The protesters said they represented the Laem Pom, Thap Tawan and Nai Rai communities in Phangnga and the Layan community in Phuket.²³

In Sri Lanka, The main challenges to implementation of the program so far have been:

- Ethnic conflict/the case-fire agreement and relationships with then entities that control different areas of the country.

²¹ *Tsunami Victims still waiting for help by John Mactaggart, Section 1, Bangkok Post Newspaper, October 1, 2005*

²² *Help for locals fighting land grab, Bangkok Post Newspaper: October 10, 2005*

²³ *Villagers ask govt to help save their land, Bangkok Post Newspaper: September 14, 2005*

- Customs clearance for resources procured outside of Sri Lanka.
- Co-ordination mechanisms between the government, United Nations agencies and the large number of non-government organizations (NGO) active in the country.
- Finding adequate qualified staff to mount a comprehensive multi-sector response.²⁴

Donor delay is an issue as well. Sri Lanka's President Chandrika Kumaratunga had warned the International Federation of Red Cross (IFRC) that the government will have to withdraw the land allocated to IFRC/Red Cross and give it to other organizations if there was further delay for reconstructing houses. After tsunami International Federation Red Cross committed to the reconstruction of 15,000 houses but they had not done anything or mobilized their resources. The government was very concerned about their delay in reconstruction, the people were still living in transitional houses and the monsoons would come and it would become very difficult for people.²⁵

XII. The Military

The important role played by national and foreign military is another area that is usually not included in the tabulations of support in spite of the very central role the military played in relief efforts and reconstruction, especially infrastructure including roads, bridges and ports among other. This Study has attempted to gather information on the role and costs of the military but to little avail. This area remains a fertile area for future investigation for, if truth be told, the military's key and increasing role in disaster relief and reconstruction efforts represents a significant amount to be included in the true cost of relief and reconstruction efforts.

Below are selected, representative activities national and foreign military played in the earthquake/tsunami relief and reconstruction efforts.

The Indian military: It was praised initially for the instant performance in the relief efforts for not only in homeland but for its efforts in neighboring countries. Soon after the Tsunami struck parts of the Indian east coast and the Andaman and Nicobar Islands were devastated and the first duty was to mount necessary relief and rescue operations. This was done with alacrity and the military (wherever they were located) supported the central administration.²⁶ One of the few examples is when within hours, the Indian Army Leaders met with Ingersoll-Rand, a global innovation and solutions provider, to provide them coordination and assistance for their efforts in clearing the debris and recovering the bodies from the narrow streets of Akkarapettai.²⁷

In terms of assistance to other countries, within 12 hours of the tsunami tragedy, the first Indian naval helicopters were in Sri Lanka with immediate relief material. The Indian Air force added

²⁴ *World Vision Report: Asian Tsunami Response the first 90 days*

²⁵ <http://www.lankanewspapers.com/news/2005/8/2984.html>

²⁶ *Tsunami Reveals Indian Military's Humanitarian Response Capability by C Uday Bhaskar,*
<http://www.idsa-india.org/CUBArticle9.htm>

²⁷ *IR Indian Team Volunteers for Tsunami Recovery.*
<http://www.irco.com/pressroom/irworld/archives/irwlq05/65531.html>

muscle to the effort using heavy lift transporters to deliver fully staffed field hospitals and clinics as well as its own Mi-17 helicopters to airdrop relief supplies.²⁸

The Indian Military was also able to reach out to Indonesia. The Indian Navy Ship Nirupak was converted into a hospital ship and dispatched to the worst affected country on December 30, 2004 with 40 troops embarked. (footnote 24)

The Indonesia Military (TNI): focused principally on the following:

- Evacuated and buried remains from debris of buildings Banda Aceh, Meulaboh and Leupung
- Constructed roads in Meulaboh, Banda Aceh, Leupung
- Established field hospital in Meulaboh, Tenom, Calang, and Lamno
- Constructed bridges in Tapak Tuan, Leupung
- Distributed food and water
- Provided temporary shelters for refugees

The Sri Lankan Army: The Sri Lankan army in collaboration with USAID and GA-Galle the Engineering Regiment of the Sri Lanka Army – WVL undertook debris clearing in Galle during a 21 day project. Debris clearance was also undertaken in Trincomalee.

Due to ongoing internal security concerns, the Sri Lankan military managed both air and sea ports of entry. This had a significant affect on the clearing procedures for international cargo arriving in the country, especially specialized relief items. Radios or telecommunications equipment were subject to rigorous clearance procedures. Obtaining clearance was further complicated after the GOSL removed the initial 30-day temporary waiver granted to NGOs for importing relief supplies.²⁹

The Royal Thai Army: It immediately provided help for Tsunami victims in the six affected provinces. The help was classified into three levels namely; immediate humanitarian aid, recovery aid and long term assistance. Brief details of each level are as follow:

a. Immediate humanitarian aid

In the search for survivors, injured and the removal of the dead. The military provided emergency shelters, foods and clean water.

b. Recovery Aid

Build relief center, 500 shelters, reconstructed main road, building, hotels and government offices by using budget from The Government Lottery Office of 10 Million Baht (US\$250,000) Managing/identifying the dead, organizing donations and also supported victims' mental health.

c. Long Term Assistance

Set up temporary accommodations and works by using 113 Million Baht (US\$2,825,000) donated from Thai Red Cross and Government of Denmark and other donations, spending 200 Million Baht (US\$5,000,000) for schools and 730,000 Baht (US\$18,250) for a child care center/nursery.

²⁸ *Tsunami Relief, The Great Indian Absence? By Ashutosh Sheshabalaya, February 09, 2005*

<http://www.theglobalist.com/DBWeb/StoryId.aspx?StoryId=4378>

²⁹ *Asia Tsunami Response, The first 90 days, World Vision*

The army received cash and supplies from both local and international donors that totaled an amount of 323,730,000 Baht. (About US\$7.8 million) The military is the key agency to help in building permanent new houses project for villagers. The military has begun reconstruction of homes, and already over 100 have been completed. A two-story house is worth about 140,000 Baht with two bedrooms, a kitchen and a toilet. The project was funded by several state and private agencies and cash donations.

From the country report show that the budgets were allocated through the military for reconstruction of damaged government offices by the Royal Thai Navy US\$ 21354650, Supreme Command Headquarters US\$ 129,272.20, and Office of the Permanent Secretary, Ministry of Defense US\$ 12,500.

The United States Military: The US army reported the following:

19,000 United States Service members participated in Operation Unified Assistance, providing disaster relief in Indonesia, Thailand and Sri Lanka.

- The U.S. was part of a multi-national support force which included Indonesia, Sri Lanka, Thailand, United Kingdom, India, France, Japan, Australia, Canada, Belgium, Germany, Singapore, Pakistan and Bangladesh
- 145 aircraft flew close to 3,500 aircraft support missions
- The support force delivered 422,000 gallons of water
- 2,123 tons of food were distributed
- 3,000 tons of supplies were provided

Foreign military presence was a sometimes sensitive thing that required efforts be centered off-shore such as the Hospital Ship Mercy. The US Floating Hospital USNS Mercy served tsunami victims there for six weeks in Aceh, according to the US Embassy. Operational costs reached US\$ 75,000 per day or an estimated US\$ 3.150 million.

Washington's contingent in Indonesia was the largest - at nearly 15,000 at its peak. During that time the Mercy's staff treated more than 9,500 patients, ashore and afloat, and performed nearly 20,000 medical procedures, including 285 surgical and operating room cases. The ship's teams provided water and sanitation, rewired hospital equipment, repaired oxygen tanks, immunized hundreds of men, women and children, and established other public health measures.

XIII. Compensation

Sri Lanka:

Under the program each individual displaced is entitled to the following food rations for a week: Rice/wheat flour – 2800 grams; dhal – 420 grams; sugar – 140 grams; cooking oil – 140 grams; and wheat soya mixture – 140 grams; Baby milk powder, biscuits and canned fish will be included in this list according to availability. The value of these provisions provided per person per week will be around Rs.175 (US\$ 1.75) Goods to be value of Rs.200 (US\$ 2) which may include fuel

for domestic consumption will also be provided making the total package amounting to Rs.375 (US\$ 3.75) per person for each week.³⁰

The state funding flow is featured by the relief for emergency action policy taken up by the state implemented through decentralized administration. The state funds have been allocated on the 5 major elements: food ration, non-food cash assistance, cash for kitchen utensils, death compensation and Rs. 5,000 family startup allowance. The detail overview of the actual situation reveals that state funding for emergency has accomplished 99% of the target. For instance in Galle District Office records are available on all disbursement (See Table 13). In Tricomalee District state funding has been disbursed covering the areas pertaining to humanitarian aspects.

Regarding other areas state institutional mechanism has undertaken the responsibility of providing services and some livelihood assistance. The area specific break down of humanitarian assistance reveals that most of the funds has gone on providing food and allowances (See Table 3.1).

Table 3.1 Areas specific concentration of state funding for humanitarian relief in Weligama Divisional Secretariat

Area	# of families/ # of units	Total payment (Rs.)	Percentage
Funding for kitchen utensils	4,070	12,175,000	1.8
Monthly allowance(for 2 months)	8,051	80,510,000	14.3
Death compensation (number)	445	6,675,000	1.2
Food/ration (10 months)	31,009	465,135,000	82.7
TOTAL		562,495,000	100
		USD 5,624,950	

India:

Reports state that of the Rs. 40 crores (US\$ 10 million) allocated for construction of temporary shelter for nearly 50,000 families at the rate of rs.8000/- per unit, only 15,378 have been constructed by the state and another 18,578 by NGO's. Of the 30 villages visited by the research team, only 4 have temporary shelters built by government of Tamilnadu.

In the fishing sector the government reports suggest that they have been able to disburse only Rs. 220 crores (US\$ 5.5 million) towards the fishing sector as against the Rs. 450 crores (US\$ 11 million) sanctioned. From the site studies active participation of government in the livelihood restoration especially of the fisheries sector was seen in 12 villages and there are approximately 40 beneficiaries per village. These people have been given Rs. 30,000/- (US\$ 750) for loss of boats and Rs.20, 000/- (US\$ 500) towards loss of nets. The first installment of Rs.10, 000/- (US\$ 250) has been transferred to their bank accounts. The subsequent installments will be given against quotations for boat parts.

The central and the state government had sanctioned Rs. 1 lakh (USD 2500) each as ex-gratia for the next to kin of the deceased. In 5 of the villages about 5 to 6 members in each village, had not

³⁰ www.lakehouse.lk.tsunami/story//govt-activ-02.htm

received the amount promised from the central government (the field study took place 10 months after the date of disaster)

All the affected families received as sustenance allowance Rs.1, 000/- (US\$ 25) and 30 kgs of rice, provisions, kerosene etc., valued at Rs.526/- (US\$13.15) per month for each family for 3 months from February to April 2005

In most of the hamlets typically all relief material was distributed through the local head. On many occasions it was the head of the family who received the relief material. The widows were given only half of what was given to the other families. Only in 3 villages (30 settlements were studied for the tsunami evaluation work) in kanyakumari it was observed that through formation of self help groups, widows obtained access both to cash doles and to micro-credit facilities

The NGO's and INGO's have predominantly contributed to the reconstruction of social infrastructure. In some settlements where access routes are badly damaged the government has taken up the reconstruction of roads and bridges. In two of the villages visited by the research team the government has constructed rubble sea walls costing Rs.19 lakhs (US\$ 47,500) each.

Indonesia:

Compensation to Victims: in cash/kind (quantitative/qualitative/policy) Rps. 38,197,810 (US\$ 3819) (First Stage Rp. 31,772,000,000 and Second Stage Rp. 6,425,810,000)

In terms of compensation, the policy of the government of Indonesia was to provide cash compensation of Rp. 3.000 (approx US\$ 32 cents³¹) per day to every affected person for a period of six months. Compensation payments started since March 2005 and the situation in the villages surveyed is that in three of them people have received the cash compensation for four months and in nine locations it has been received only three times. By now they should have receive it for the six months promised by the government. According to local sources, the delay in the distribution of the cash compensation is due to the fact that the national government disbursed only the funds equivalent to one month. Taking into account the desperate situation of the people, the local governments provided the compensation cash for two months out of their own resources and in order to cover for the deficit. The local governments are still waiting for the national government to comply with its commitment to the people.

'One time cash' compensation was given also by local NGOs and private sources. In Alue Riyeung a local NGO provided Rp. 50.000 (US\$ 5.27) per person, the same in Lambreh and Deudap village. Also in Lamreh village a private person provided Rp. 90.000 (US\$ 9.48) per family. In Tibang an INGO provided Rp.1.263.000 (US\$ 133) per family and in Meunasah Keude each widow received a donation of Rp. 500.000 (US\$ 52).

The situation for most of the people is quite desperate because according to them the compensation, apart from being late, is also not enough to sustain a life of dignity. Those who had savings have used them up either to cover everyday needs, or to start small businesses.

Thailand:

³¹ Oct. 2005 1 US\$ = Rp. 9.500

In February, the government decided to trim its 5.9 billion baht funding (US\$147,500,000) for tsunami rehabilitation by 500-600 million baht (US\$12,500,000 – 15,000,000) as the government has found that fewer people were impacted by the tsunami than was estimated.

Immediate humanitarian aid, which includes food, shelters, survival tools, medical services and 2,000 baht (US\$ 50) cash for each person as well as 40,000 baht (US\$ 1,000) cash for each family faced with death or loss cases.

Small business owners are entitled to a financial support of Approximately 20,000 baht (US\$ 500)

Fishermen with registered fishing vessels are entitled to either repair or a construction compensation of 10,000 baht (US\$ 250) and 66,000 baht (US\$ 1,650) respectively.

- Over 43,400 tsunami victims to receive cash compensation
- A total of 20 million baht (US\$ 500,000) to 400 orphans
- 3000 small businesses to receive 20,000 baht (US\$ 500)
- Takusa Pa: 8,000 baht (US\$ 200) to families who had lost one family member and 2000 baht (US\$ 50) for those who had property damaged from the Por Tek Tung Foundation and Foundation for Disaster Relief.

400 million bath (US\$ 10,000,000) allocated by the tourism Authority of Thailand to promote tourism in the affected provinces. 200 million bath (US\$ 5,000,000) to be spent on reconstruction of Patong beach and 100 million baht (US\$ 2,500,000) on Kamala beach. Center on Housing rights and evictions, Asian tsunami, evictions and land rights monitoring source:

In “Tsunami Impact on Workers in Thailand” it was reported that: “Workers in the informal sector: face the serious problem of not being entitled to any compensation or benefits. Especially hurt by this problem are the hired small service providers and sub-contractors who are not recognized as the self-employed, they are thus entitled to the immediate humanitarian aid of 2,000 baht (US\$ 50), however, not to the 20,000 baht (US\$ 500) for small business owners.

“Workers face economic crunch” Bangkok Post 4 September, 2005 “according to the Labour Ministry, the tsunami affected 925 enterprises and 34,710 workers. A total of 449 workers were killed, 225 injured, and 213 missing in six affected provinces. Since the tsunami, 523 enterprises have closed and 4,628 workers have lost jobs.

Job placement programs cover only 1,432 workers. A total of 28,340 workers have sought grants worth 40.2 million baht (US\$ 1,005,000) from the ministry’s labor fund but each of them received on an average of just 7,800 baht (US\$ 195) in July.

In sum various groups of workers have been provided with different levels of assistance depending on their respective legal entitlements, accessibility of the support system and differences in ethnicity or nationality. However, all workers are in desperate need of work in order to earn sufficient wages for their living. Presently they need support to ensure the economic survival of themselves and their families. They also need support regarding the entitlement to land use for farming and residing.”

Source: Executive summary of the report “Tsunami Impact on Workers in Thailand,” Mobile Assistance Center for Affected Workers Friedrich Ebert Stiftung.

Compensation payments will also be made to RTG officials (or their families). Families of officials will receive a payment of 30,000 Baht (US\$ 750); the officials who survived will receive 1,000 – 3,000 baht (US\$ 25 – 75) for 3 months. The families of those officials still missing will also receive a 30,000 baht (US\$ 750) compensation payment when the body is either found/identified or within the next 3 months. The 1,200 migrant laborers (200 from Ranong and 1,000 from Phang-Nga) have received 20,000 baht (US\$ 500) each. In compensation, the small business owners will each receive an initial compensation payment of 20,000 baht (US\$ 500). The government had approved the budget of 506 Million Baht (US\$ 12,650,000) to build 2,886 permanent houses, costing approximately 141,000 Baht (US\$ 3,525) for each house.

Table.3.2 Compensation Scheme by Department of Disaster Prevention and Mitigation

Damages	Compensation (Baht)	Compensation (USD)	Note
Meals	50/day/person	1.25	
Kitchen Utensils	3,500/family	87.50	
Slightly damaged house	20,000/item	500	
Completely damaged house	30,000/item	750	
Completely damaged livestock/household	8,000/item	200	
Slightly damaged livestock/rice storage house	3,000/family	75	
Electrical Lighting	200/family	5	
Rental Accommodation	100/day/person	2.5	Not more than 7 days
Rental house	1,500/month	37.50	Not more than 2 months
Modified temporary shelter	2,000/family	50	
Building temporary shelter	4,000/family	100	
Bathroom	1,500/room	37.50	Available for 10 people
Toilet	1,500/room	37.50	Available for 10 people
Clothes	1,000/person	25	2 sets per person
Uniform	1,000/person	25	2 sets per person
Instruments for occupation/Capital	10,000/family	250	
Funeral	15,000	375	
Funeral/ Head of the family	25,000	625	
Medicine	200/family	5	
Hospital fee	2,000/3 days/month	50	Until discharged from the hospital
Consolation	2,000/person	50	
Injured/crippled	10,000/person	250	Not Being able to work at the first stage
	Plus 2,000/person/month	50	Not more than 2 years
Scholarship	1,000/month	25	Primary level

Scholarship	1,500/month	37.50	High School Level
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Source: <http://www.phangnga.go.th/news/new15 - 1/19/2005>

XIV. Constraints – Study, Institutional and Programmatic

The Local Response Study was affected by several different sets of constraints that include those in carrying out the study itself considered to be administrative in nature; those that relate to the capacities of the entities involved in relief and reconstruction considered to be institutional constraints; and those that impact on the logic and the implementation of activities considered to be programmatic constraints.

These constraints ranged from simple, yet unavoidable, constraints of the study period being Ramadan and Diwali when activities are curtailed, especially those of individuals and governments in Muslim and Hindu countries and regions. The limited timeframe for the study set limits on our ability to follow leads for missing information and for dealing with more complex endeavors such as information on the military, private sector and affected families contributions. Tracking financial inputs and flows, sharing information and cooperating with government coordinating agencies and sister organizations are constraints in capacity and attitude that need attention to avoid redundancies in resource allocations and other goods and services.

Study Constraints

The fieldwork for the Local Response Study carried out during Ramadan was an issue for the study countries and their considerable Muslim populations. Government offices were closed and staff had returned to their villages. A fasting population is not a happy recipient of probing questions about the use, benefit and flow of funds.

One month of the two available for this study was fieldwork; the other month of available time went to necessary, start up activities including contracting, developing interview protocols, training interviewers, following leads on secondary sources for information and report preparation. What was accomplished not only informed this study, but it also identified areas for further investigation, investigations that will require time and official requests to fill in the blanks to provide a more complete picture of the financial flows of tsunami relief and reconstruction.

The Local Response Teams were careful to explain that we were not teams of auditors wanting to follow-the-dollars but wanting to present a more balanced picture, if it were the case, of the contributions of money, in-kind support and services as local response. But transparency and the sensitivities of money were/are a very big issue.

An example of the sensitivities of financial information and the difficulties accessing such information resulted from the political stance taken by Thailand in not requesting international

assistance. This decision, valiant as it is, had the unanticipated effect of restricting funding flows to local governments requesting support for innovative and useful activities. Assistance was made inadvertently impossible. For the Tsunami Recovery Information Center, a project started by USA Crisis Corps volunteers and found to be very successful, (contact Saundra Schimmelpfennig saundra.s@gmail.com) the decision by the Thai government to not request official assistance made funding for TRIC's expansion difficult to the point of impossible in spite of the requests of Provincial level officials' requests to scale the project up to include additional districts. It did not help that TRIC was not a registered NGO either. What is critical to this Local Response Study of funding flows is that TRIC made a decision to NOT request financial data to avoid the risk of having doors closed on them to even discuss relief and reconstruction activities.

Institutional Constraints

Accountability, whether by design or because of the need for improved donor/NGO management skills, needs attention. While financial tracking supports accountability, it would do well to shed its negative, audit image and be seen as a sound management tool. Participation in systems such as the UN OCHA and Development Assistance Database by donors, NGOs and governments alike is necessary or understanding what is going on is incomplete. Financial tracking and coordination can be presented and developed as programmatic tools for resource allocation and efficiency. It is suggested that UN Offices for Coordination such as UN-OCHA could perform a very useful function in their work with donors, public and private alike, to initiate and/or expand on current efforts to develop with them protocols for financial tracking. Standardized accounting forms and information categories are necessary to develop consistent comparable data sets, something that is not currently possible because of the inconsistent data collection formats.

The buy-in by government is key as the central channel of information and coordination. To have multiple "trackers" only undermines government's need for and attempts to be the single point of coordination. The utility of such protocols could be/is enormous, especially since governments would do well to establish management teams for disaster response and reconstruction not on an ad hoc basis in response to a disaster, but as part of the institutional responsibility of their National Disaster Management Offices such as the DDPM/Thailand, or another national government office. The BRRs and the TAFRENS should be institutionalized, trained and equipped to carry out this responsibility employing standard tracking formats.

There is a great need for a tracking system to be established so that those governments, donors and grassroots NGOs that are inclined to share information and be transparent in their operations have the guidance necessary to be able to do so. Our TEC Team found entities accessible and transparent about their activities, funding sources and flows as they have gathered them. Attention, perhaps too much attention had been placed on tracking the NGO and donor pledges and other contributions. Collaborative and forthcoming entities include USAID/Indonesia, Habitat for Humanity, Catholic Relief Services, Muslim Aid and Islamic Relief, Soroptimist International and others in Indonesia had no qualms about sharing data. TAFREN in Sri Lanka and DDPM in Thailand were also quite supportive in sharing information.

The architecture of the financial tracking mechanisms and how the financial flows were constructed is a work in process.

Programmatic Constraints

Programmatic constraints impinged significantly on Local Response program implementation and, therefore, on disbursements for relief, but, especially, on reconstruction. The World Wildlife Fund's certified lumber requirement, the no-build buffer zones established and the land tenure issue deserve special attention. Special interest groups mandated their agenda as part of relief and reconstruction requirements. Accepting such requirements as well intentioned, their impacts served to throttle activity. The certified lumber requirement for shelter reconstruction in Indonesia was implemented through an imperfect process that neither brought in certified lumber as promised nor facilitated buying certified lumber locally from an industry that had defied labeling its products as legal. To hold affected families hostage to the problem of certification was finally made not the condition of the GOI but the NGO involved in construction to solve to its satisfaction. This most likely undermines the original purpose to curb illegal logging in nearby national parks.

The land tenure issue is one of the unanticipated success stories of the tsunami disaster. In Indonesia the Registration Aceh Land Administrative System (RALAS) has addressed the land tenure issue that had been an obstacle to shelter construction. The Program implements a system of land registration through community consultation and agreement. It is a process of community mapping that reconstructs pre-tsunami land holdings signed off by the village headman and the community. With the agreement on the reconstructed community map Badan Pertanahan Nasional (BPN), the National Land Titling Agency, then verifies the plan and measures the lots, officially, based on the community plan. BPN then awards land titles. Community and NGO opposition to the extra step of the "official" measurement created a protest demonstration by the NGO Uplink Indonesia, to simplify the process and save resources for other more productive uses. Uplink stated that, in close cooperation with local residents, they had followed the procedures set out by the Aceh Land Rights Recovery and Land Administration System for Reconstruction. However, BPN will most likely continue to formalize the community maps produced. Land title is a major hurdle for financial flows in the shelter sector.

The BRR/Indonesia identified some of its performance issues that equally apply to the other affected countries as well. Government projects move at a slow pace, therefore an emergency culture is required to ensure rapid decision-making and delivery within all stakeholders. Also, the fund flows need to be sped up. The NGOs do not use a community driven approach and this needs to be adopted. The overlaps at the local level need to be minimized and over pledging/under delivery needs to be avoided. The lack of consolidated and verifiable data on reconstruction is one of the issues affecting the performance. (*Source: Working Together For a better Aceh and Nias, presentation by Kuntoro Mangkusubroto, CFAN meeting, Jakarta, 04, October 2005*)

The pronouncement of buffer zones was to create an artificial, negative and unnecessary conflict between the environmental and disaster reconstruction communities. The decision to create blanket, no-build zones in affected countries stalled reconstruction, especially self-help efforts of families that depended on being located on the coast as they had been throughout the past. To the credit of the different countries, some sooner than others, this notion was replaced with a

concept of a porous coastline, one that could accommodate fishing communities and other economic activities such as tourism within the former lines of control. Sunday Observer, Colombo, Sri Lanka (Oct. 16, 2005 pg. 3) reported on the government decision to reduce no-build, buffer zones to a range between 55-25 meters in the Southern Districts and 100-50 meters in the North and East. Soon after the tsunami, government declared a 100/200 meter strip of land as a “no-build zone” along the coastal belt of Sri Lanka.

What had always been lacking before was enforcement of the coastal setback regulations and programs for the alternative use of sensitive coastal zones, unique coastal environments, landscape restoration and the reservation of security and sensitive areas. What is lacking now is the need to improve on the community mapping efforts that are being carried out to reconstruct past community layouts. The opportunity to engage in community planning in order to create more resilient communities based on the community maps being prepared is not happening.

In Indonesia, at the Shelter Working Group (SWG) meeting attended as part of our information gathering efforts, the status of shelter reconstruction was discussed. In the SWG handout (see Annex II) the problems of certified lumber and the land tenuring process were made clear. The costs for such shelter construction levels run up to an estimated US\$ 450,000,000 of which under US\$ 24,000,000 has been spent. Such are the constraints on the flow of funds ...bureaucratic, programmatic and political. Of the 92,000 shelter pledged only 3,000 were completed. The Jakarta Post reported on October 31st from the Aceh Institute Study, that less than 10% of the 110,000 houses needed (were built). Up until now, only 5,820 houses have been built,...and that the problem was not only the insufficient supply of building materials, but funding as well since there were two major donors that had yet to realize their pledge: the Multi Donor Trust Fund Aceh Nias World Bank (MDTFANS-World Bank) (25,000 houses)and the Asian Development Bank (ADB) (21,250 houses). The money from the MDTFANS had still not been disbursed....and the ADB, has not met the requirement of proposing house construction projects on the community-driven development basis.”

xv Transparency, Expectation and the Audit Reality

The response to the tsunami was, as stated, “Unprecedented!” and represented humanity at its best in the solidarity expressed for the affected countries and families.

The response also brought with it the donors concern about corruption that from the outset focused on accountability in suspect socio-political and business contexts. In the Transparency International Corruption Ranking the Local Response affected countries ranked as follows: Of 146 countries ranked, Thailand was ranked 64th, Sri Lanka - 67th, India - 90th, and Indonesia - 133rd.

The concern about “Corruption” impacted our assessment quite decidedly for when approached to discuss activities, there was some receptivity to share information, but when it came to amounts collected, contracted and disbursed our teams encountered resistance, if not outright hostility. “Inquiry fatigue” is growing and any future research needs to be sensitive to the feeling that people are giving out much more than they are receiving. True or not, for however much

HAS been provided, vulnerable group needs have fallen through the cracks and assistance received is not at the pace and or scale expected.

Transparency and expectations directly influenced the efficient and effective flow of funds. In the rush to do good the Red Cross reports NGOs that “got all this money did indeed create a competitive situation that sometimes gets in the way of doing the best possible.” (International Herald Tribune Oct IHT article7, 2005) This is a very polite statement, one that glosses over a pattern of behavior of the INGO and NGO set that has been allowed to flourish for far too long.

Kuntoro Magkusubroto, during the BRR in-house review pointed out behavior change that needs to happen for reconstruction to improve.

For Donors: The donors can do better by mandating and supporting their staff to speed up decision making. Cooperation should be provided in the development and implementation of reconstruction master plans. The quality of all reconstruction projects should be monitored and the delivery standard should be flagged.

For NGOs: The NGOs can function better by providing regular information to BRR on project proposals, progress and bottlenecks. Proper coordination in terms of developing and implementing a model of “lead coordinator” for village development will bring about an efficient procedure. The commitment of specific timeline and delivering on time is very important. Overall, the reconstruction approach needs to be based on community driven approach.

If NGOs’ agenda are not clear, it can lead to serious misunderstandings that can undermine all the “good” being done, especially when it relates to culture and religion, both sensitive issues. “World Help was alleged to have moved orphaned children from Aceh to Jakarta to be raised as Christians....This issue might develop into other issues that can harm religious tolerance.” (Press Activities Report on Aceh relief/US Embassy January 26, 2005.) World Vision reported in its Asia Tsunami Response “the first 90 days,” “Tensions also exists in the south of Sri Lanka due to emerging Sinhala nationalist parties who are challenging the presence of international bodies, particularly Christian-based NGOs. This creates tension in certain areas of operations in the South, but has not prevented WVL from operating there. Political focus on international NGOs (INGOs) has increased following the tsunami. Some extremist political parties and extremist Buddhists have attempted to limit the role of INGOs in rebuilding the nation.” In Southern Thailand, the religion issue is also felt. Before agreeing to allow a space in a community structure in a Muslim community, an Asian Institute of Technology team needed to reassure the community leaders that no religion would be discussed.

One important recommendation that requires considerable attention is to work with national governments to be better prepared to manage the flow of offers that disasters generate. For NGOs to remain in business, and business it is, they must show their ability to disburse to thereby justify future contributions to their “bean counters,” if not to the community and the affected families. National governments need to formalize systems that will from the start be able to coordinate, manage and direct the flow of funds to areas that are in need and avoid competition among NGOs/donors and avoid duplication. Conversations indicate that the need to

disburse is such that a competitive, non-transparent environment still exists. BRR is making a valiant effort to deal with this even if several NGOs resist their advances.

In the shadow of supposed corruption and the image of a supposed audit, tracking financial flows remains a challenge.

Politics: Both India and Thailand advancing a “donor” countenance announced that their governments would not be requesting international assistance but if NGOs wished to come for humanitarian purposes that would be accommodated. Sri Lanka and Indonesia requested donor assistance. And pledged amounts poured in US\$ 3 billion and US\$ 7.1 billion respectively. “The Indian government declined international assistance for relief operations, declaring that sufficient resources were available in the country to assist those made vulnerable and a significant amount of the coordination and actual relief effort was done by the government.”³²

The Royal Thai Government decided not to accept cash donations from abroad as it believed Thailand would be put on the inferior footing to other countries, however the government would not reject other countries’ technical assistance such as equipments, tools, training and offers to build schools or hospitals for the poor as long as these were for benefit of the people. The government plans to share half of material donations for Thai Tsunami victims, Sri Lanka and Indonesia.³³

From the outset Sri Lanka stated “Given the limitations on raising taxes or reducing expenditure, the government on its own, is not capable of undertaking a reconstruction effort of this scale. Hence a large donor support is necessary in order to maintain a viable medium-term macro economic environment. The availability of a substantial volume of donor assistance by way of outright grants and long-term development assistance will not pose challenges to debt management.”³⁴

The tsunami and the reconstruction efforts are credited with fixing complex, long-term political conflicts (Indonesia) and/or being complicated by them. (Sri Lanka) Dateline Helsinki, Finland, August 15, 2005 CBS News reported that “the Indonesian Government and the Aceh rebels on Monday, August 15, 2005 signed a peace treaty to end nearly 30 years of fighting in the oil- and gas-rich province that has killed 15,000 people. The signing ceremony in Helsinki followed seven months of talks mediated by former Finnish president Martti Ahtisaari, who spurred the two sides to agreement to help international aid reach the region that was devastated by last year’s tsunami.”

In Sri Lanka, the secretary General of the Government Peace Secretariat Dr. Jayantha Dhanapala said, “The Liberation Tigers of Tamil Eelam (LTTE) has shown remarkable efficiency in relief operations in the affected areas of the North and East. The cooperation between government and LTTE is growing to the extent that the government has included representatives from LTTE to district level Task Forces,” he said. <http://www.lakehouse.lk/tsunami/story/govt-activ-03.htm>

³² <http://www.alertnet.org/printable.htm?URL=/facts/reliefsources/112783411455.htm>

³³ http://www.un.or.th/tsunami/documents/Sitreps/UNRC-Thailand_Field_Situation_Report_no.7-2005_01_12.pdf

³⁴ *Rebuilding Sri Lanka Post-Tsunami Recovery and Reconstruction Strategy, Department of National Planning and Ministry of finance and Planning, TAFREN May, 2005*

Sri Lanka's President Chandrika Kumaratunga took both personal and political risks in reaching a deal with the LTTE. The president was quoted as saying, "In the decisions we are called on to take, the lives of some of us are in extreme danger." The President stated, "the government, at least the major part of it, believes that this is a good opportunity" to bridge gaps between the Tigers and the government.....It will open many doors for a final solution to the ethnic problem of Sri Lanka." That process is still a work in progress.

XVI. Participation

Participation is a critical component of relief and reconstruction activities. It has the ring of truth and, in fact, if ignored, creates serious problems of community satisfaction, project implementation and future operations and maintenance. But participation takes time and, if not allowed for properly, also results in community criticism. The process can block the flow of funds as stated in the article referring to the pace of ADB's project development process. "The ADB, meanwhile was still revising its program, with the national Development Planning Board (Bappenas) saying that the ADB has not met the requirement of the proposing house constructing projects based on the community driven development concept."³⁵ Groups such as World Vision, state as part of their guiding principles for overall program strategy that "Genuine participation and increased community control of the recovery and rehabilitation situation at all stages of the program cycle, which is reflected in our model of community engagement. Inclusive participation, particularly ensuring that children, women and other vulnerable groups are protected, consulted and their interests prioritized" Government programs in Sri Lanka, India, Thailand and Indonesia also issued policies to encourage participation. The pros and cons of such an approach sometimes conflicted with the perceptions of the efficiency of the activities. Consultation takes time but for those not consulted, this time looks like undue delay and bureaucratic process. "Housing projects have to obtain a permit from the authorities, while the construction of houses has to be planned in consultation with survivors. All of this takes time," the head of BRR/Indonesia Said Faisal. Jakarta Post Oct 29, 2005

The activity of community planning, different than community mapping, building on the successful community mapping activities in Indonesia was not considered "do-able" by NGOs working in Indonesia for the "extra time" it would require improving on the community plans being reconstructed.

Sri Lanka: Consultation with affected communities and stakeholders was mandated in reconstruction policy. All interventions need to respond to clearly identified and articulated needs of communities, respecting their religion, culture, structure and customs. In this context, it is important to facilitate affected families to become key players in their own revival activities. This is especially important with respect to the policies related to shelter and relocation, which should not proceed without such full consultation. Communities should be assisted to return to their original homes as swiftly as possible. Ownership by individuals and communities will be a critical ingredient in effectively driving recovery and reconstruction activities. To maximize the

³⁵ *Homes Remain elusive for Acehese on Idul Fitr, Jakarta Post, Monday, October 31, 2005.*

speed of recovery and reconstruction, local capacities should be harnessed as far as possible. (see footnote 34)

Disaggregating the national plans into District plans serves multiple purposes. Specifically, it ensures:

- Identification and resolution of inconsistencies across sectors within districts.
- Local prioritization and ownership by engaging beneficiaries and other stakeholders.
- Measurable district targets and timelines.
- Identification of local funding gaps and monitoring of progress within and across districts.

By presenting clear local action plans, stakeholders can plan their own activities accordingly (and adjust their expectations). This would enable the involvement of the beneficiaries in the planning process, which would improve the ownership and sustainability of the restoration process.

xvii. Vulnerable Groups:

The most vulnerable victims are widows, children and the elderly.

Vulnerable groups have been identified as not having been properly addressed in Indonesia and in Sri Lanka: “Elderly ignored after tsunami,” “Though governments and voluntary agencies in all affected countries brought relief to survivors and took rehabilitation measures the elderly did not get their due because relief was not targeted at them..”³⁶

It seems that a large share of the affected people is women and children. The GOSL ministry of Women’s Affairs has embarked on the development of more gender-disaggregated information. Problems of alcoholism, harassment of women and privacy are likely to arise in displaced people and camps situations. In the long-term, women may have to find new means of livelihood if their husbands died. Special measures need to be put in place to protect children and to ensure that children directed services such as schooling are not unduly disrupted. The Cabinet paper presented by the Women's Empowerment and Social Welfare Minister in connection with the tsunami rehabilitation mechanism which received Cabinet approval recently, marks a significant development in the protection of Sri Lankan women's human rights.

The proposal made by Women's Empowerment and Social Welfare Minister Sumedha G. Jayasena ensures gender equality and adequate female representation in all relief and rehabilitation mechanisms and institutions related to the tsunami disaster. The decision allows tsunami affected women to decide what they want and what they do not want to happen. This is a very important step in rehabilitation because it is those women who are going to live their lives in the newly built environment after the rehabilitation process.

According to Ministry sources, the majority of tsunami affected persons are women and they have lost not only their livelihood but also their husbands and children. Some of those women victims have been subjected to severe mental suffering and also subjected to sexual harassment.

³⁶ *Bangkok Post*, 29 August, 2005

At the moment they stay in open welfare centers without any privacy and protection. Minister Jayasena had pointed out eight main facts in her proposal and they are: introducing a permanent security plan to ensure the protection of women and also ensure female children stay in welfare camps, when planning economic programs, paying special attention to the tsunami widows and giving priority to them when implementing re-settlement programs, ensuring privacy to sustain personal hygiene and special physical needs of women and female children in welfare camps, implementing psycho-socio programs to ensure the welfare of women and female children in welfare camps. It is very important to make sure that no man takes advantage of tsunami widows and the benefits they get from the State and other institutions. Proper security plans and a monitoring system are needed to ensure the safety and independence of tsunami widows and the orphaned female children. It is better to encourage tsunami widows to re-build their lives with minimum help obtained from men. Such women should be educated and encouraged to seek the assistance of recognized institutions and organizations instead of individuals. This will prevent some men taking advantage of helpless women and their children. The time has come to take every possible action to protect tsunami affected women and children from thousands of two legged hungry leopards.³⁷

Thailand: Orphaned by the tsunami, 1000 km from the sea: More than 1,200 children in Thailand lost their parents to the tsunami. In the north and north-east of Thailand, hundreds of children were orphaned when their parents, migrant workers in the fishing and tourism industries of Phuket, Pee Pee and neighboring islands, were caught up in the tsunami's fury. The Ministry of Social Development and Human Security estimated that the tsunami orphaned up to 300 children outside the southern provinces, these children have largely been ignored, because their homes are far from tourist areas and from the focus of relief efforts. In addition, it is often impossible for poor families in the north-east to find the money to travel south, identify bodies and obtain death certificates. Without certificates, they are unable to claim government assistance.

An urgent need to protect, many children were vulnerable to exploitation even before the tsunami wrought economic devastation. Now the risk to them has increased. There is an urgent need to identify and monitor these children to see how they are being cared for and that they are receiving all the assistance they need. From the experience in other disaster areas that orphaned children and children in families whose livelihood have been destroyed are at higher risk of being removed from school or being abused by their new caregivers. There is also danger of orphan children being trafficked for commercial sexual exploitation.³⁸

The tsunami caused significant psychological trauma for children and adults, and increased the vulnerability of many children. Successful recovery in the affected provinces will require the participation of all people and communities: marginalized and vulnerable groups deserve the same access to healthcare, other social services, land title and consultation. UN agency contribution include training social workers to identify signs of distress, neglect and exploitation, to ensure protection for orphaned and vulnerable children; also child rights volunteers are being trained to advocate for children rights in tsunami-affected villages.³⁹

³⁷ <http://servesrilanka.blogspot.com/2005/04/welcome-priority-for-women.html>

³⁸ http://www.unicef.org/emerg/disasterinasia/24615_27393.html

³⁹ <http://www.un.or.th/tsunamiinthailand/socialprotection.html>

In India, vulnerable groups include children, adolescent girls, women and widows. While there are major relief efforts going on, there is hardly any attention targeted at vulnerable groups. An example is: Mariammal lost her catamaran and fishing nets due to the Tsunami. She is now living on charity and is working as the secretary of a saving and credit group organized by a local NGO. She complains that women like her face double discrimination- being a woman and belonging to a marginal group.

Children are living on pavements with their family and trying to study under the street lamps. While there are talks of providing shelters, there are children studying, sleeping and leading their daily lives under the open sky.

Women are cooking in shared kitchen or out in the open as the shelters are closed and hot. The materials used for reconstruction are not always the best. Adolescent girls are out in the open amongst men who have no work to go to which is not very safe. The women feel that they have no privacy at all. Oxfam is providing cooler thatched huts in Cuddalore with separate space for cooking, washing and bathing.⁴⁰

XVIII. Conclusions/Lessons:

Local Response displays the differences between affected governments and their abilities to address sustainable development issues. What might have been an issue before the earthquake/tsunami becomes a constraint in responding to emergency and reconstruction needs. Flows of funds are garnered and disbursed as well or as badly as the capacity of governments to program their use (on-budget) and guide the participation of others that have offered their assistance (off-budget.) Response to this disaster was unprecedented. It has proved to be a blessing and a curse. That the world will again display the generosity shown towards the December 26th, 2004 earthquake/tsunami victims should not be taken as a given as we have seen in the response to the equally horrific earthquake that has killed 80,000 in Pakistan and India. The conclusions and lessons that follow result from field interviews; are derived from the Country Reports; and, provide an overview of areas of special interest and those in need of improvement.

*Funding gaps exist between relief and reconstruction that need to be filled. The supply side of relief being charity driven is short term in nature, but need not be so limited. Program continuity can only be accomplished if “relief” efforts and organizations devise a recovery and reconstruction outreach mechanism to avoid the abandonment of affected families to their fates when support is abruptly cut off.

With the announced levels of grant funds, the available relief initiatives can still capitalize community-based financial entities for on-lending to support future growth and basic shelter unit expansion, livelihood and other basic needs.

*The role of the domestic capital market in recovery and reconstruction can be crucial, but to date is overlooked. Investing in reconstruction and mitigation bridges relief and reconstruction.

⁴⁰ *A Voice for the vulnerable group in Tamil Nadu, by Max Martin, FMR Tsunami - India*

Accessing the domestic capital market by formal and community-based financial institutions is a strategy to bring capital, as needed to the reconstruction efforts establishing the flow of resources from the market through the finance entities to the end-user. Seed capital from the generous grants provided for tsunami reconstruction can jump - start the process by capitalizing local finance entities.

*Relief operations need focus and better use of funds, goods, and services. Donation of used winter garments, out-dated medicines and broken toys and other debris from donor countries should never happen again to be distributed to the affected families as part of a “job-well-done.” National Disaster Management Offices should develop their capacities to better inform donors of useful material goods that will be helpful and accepted by disaster “victims.” It can be concluded that the existing information systems need attention. This requires that, the information base for relief, response and reconstruction be prepared in a participatory manner that takes time, money and effort. Such an information base is an investment in a nation’s future well-being.

* For a more comprehensive picture of local response, work needs to be done to include: 1). the growing role of the military in relief and reconstruction especially infrastructure; 2). private sector activity and funding need a voice and a collective presence; and 3) affected-community self-help initiatives and financial contributions that are usually overlooked in determining the true cost of relief and reconstruction. The ad hoc attempts to glean information from and engage these groups in participatory, transparent data systems are not enough.

* Prolonged compensation creates dependencies with charity organizations walking a difficult and fine line between jump-starting recovery and, undermining community self-help and resilience. As presented above compensation can also generate prolonged dependencies for the more “savvy” affected families to amass multiple versions of similar goods playing, one NGO off against the other.

* Grant funding needs to be disciplined through better outreach and explanations to affected governments, families and individuals to establish its purpose and limit its period of availability as a preamble to the transition to sustainable activities and development. Small providers are very effective and could serve as relief and reconstruction partners to outside groups for longer term commitments and sustainability.

* Cash for work needs to be thought out well for its down side is that it cuts into the self-help urge. People need not be compensated for taking charge of rebuilding their lives but for specific tasks especially related to larger scale issues such as materials recycling, environmental restoration and community clean up. Compensation can play a useful role in targeting particularly venerable groups such as women, especially widows, the aged and orphans until they are re-integrated into their communities’ life.

* A functioning database for program activities and funding needs can address redundancies, over-compensation and competitiveness amongst competing NGOs and others all of which affect well targeted funding flows. Financial accountability requires political support.

* Pledged amounts that come with strings tied to specific groups and/or activities need to be made more flexible so national coordinating entities can direct flows to unfunded activities. Donors need to be up front and transparent about the availability of the pledged amounts, set up a timetable for their availability and delivery them to national trust funds to be managed nationally. Accountability is an issue, but without mutual respect, financial aid can only be bumpy, short-term and ineffective.

* Rectifying broader development issues during a disaster situation is counter-productive. Institutional agendas unrelated to reconstruction need to understand their impacts to determine their utility to the disaster reconstruction efforts and how they might affect the flow of funds to project implementation. The recovery process can not solve problems that in normal times remain impervious to the regulations, controls and/or policies sought such as certified wood requirements, coastal zone management and over-fishing.

* A recovery and reconstruction process can support broader development issues closely related to reconstruction such as the RALAS community mapping and land titling initiative in Indonesia; more resilient construction technologies applied to local construction projects for shelter and community facilities. That community mapping has not led to improved community spatial planning is to waste this opportunity to “Build Back Better.”

* Financing for shelter reconstruction needs to include more than just a room, temporary or permanent, but water and livelihood considerations as well.

XIX. Recommendations

As requested, the following recommendations are limited to five considered to be the most important. They include:

- f. Institutional Development: Governments need to provide authority to and/or proactively create or absorb existing coordinating entities such as BRR and TAFREN into their existing National Disaster Management Offices such as DDPM/Thailand. These entities need to carry out proactive investigation into the vulnerabilities of communities, the private sector and government to establish the need for and prepare requirements of relief and reconstruction systems in addition to their programs of preparedness, risk management assessments, action plans development and simulations they may currently carry out.
- g. Reconstruction Partnerships: Local governments need to be engaged as respected, equal partners by national governments (as did India) and NGOs in response and reconstruction activities. Local government can guide inputs for support from Government, INGOs/NGOs, and the private sector for priority investments. NGOs need to improve their transparency in pledging amounts for activities if funds do not exist for such when offered. Land was unnecessarily tied up by donor groups based on false or misunderstood premises. Community facilities including schools and clinics as well as transitional and permanent shelters were victims of pledged but not delivered support.

- h. Transition to Sustainability: The disaster response and the development communities have to learn to work together to better address the necessary transition from charity-driven short term relief to sustainable development programs. This will require that Flash Appeals and other collections be framed such that funds for similar purposes can be developed in other national locations to avoid redundancy, competitiveness and the “malicia” of the affected families to play one donor off against the other to get more than their share when other communities fall through the cracks.
- i. New Shelter Reconstruction Strategy: A “Return Strategy” be evolved that features and finances the return of affected families to their original sites to initiate reconstruction as soon as possible. The new strategy would support the return to a familiar routine as opposed to a “Relocation” and “Temporary Shelter” policy that can create dependencies. Funding flows at the scale of the tsunami response could be useful to capitalize local financial entities for long-term activities that build on relief actions such as community-based financial entities and formal sector finance companies. A return strategy would have a profound influence and target cash for work, food for work and other local economic development programs in support of reconstruction.
- j. Keep the Reconstruction Agenda Clean of barnacles: Pledging conferences are of little use if funding flows are held hostage to development and political issues unrelated to the needs for recovery. Funds need to be set up in accounts that can be immediately accessed to get work started. Building Back Better is still a desired goal but communication with the affected families by donors and government alike needs to improve to explain what is being done and why, and how long it will take and what the community can do during the planning process.

Governments must develop the skills and systems to better manage disaster response and reconstruction and the donor/NGO communities must develop the discipline to respond in a more coordinated collegial manner if response and reconstruction are to be improved as they need to.

xx. ANNEXURE 1:

The principal sites identified for supply side information on funding flows, progress and needs are as follows

1. UNOCHA
2. Relief web Financial Tracking service
3. USAID
4. Google country financial systems
5. www.e-aceh-nias.org
6. DAD/Tafren
7. DAD Thai
8. India

ANNEXURE II: The Shelter Working Group handout indicating the problems of certified lumber and the land tenuring process.

No.	Donors	Location	House Type and Measurement (Permanent/Semi / Podium House)		CONFIRMED		Real Progress Number	REHAB.		Real Progress Number
					NUMBER	NUMBER		NUMBER	NUMBER	
20	Jenggala / Medco Group	Prov. NAD	Semi	36 m2	70	17		82,884		
21	Obor Berkas	Prov. NAD	Semi	36 m2	400	5				
22	Oxfam	Prov. NAD	Permanent	36 m2	2,000	75				
23	Samaritan Purse	Prov. NAD	Permanent	36 m2	3,000	50				
24	Grunhelm	Prov. NAD	Semi	40 + m2	300	44				
25	CORDAID	Prov. NAD	Permanent	36-50 m2	1,081	3				
26	Catholic Relief Service	Prov. NAD	Permanent	36 m2	2,736	350				
27	NRC	Prov. NAD	Permanent	36 m2	200	0				
28	SOS	Prov. NAD	Permanent	36 m2	308	0				
29	KKSP	Prov. NAD	Permanent	36 m2	634	0				
30	Salvation Army	Prov. NAD	Permanent	36 m2	473	33				
31	CWS	Prov. NAD	Permanent	36 m2	50	1				
32	NCA	Prov. NAD	Permanent	36 m2	0	0				
33	Caritas Austria & Germany	Prov. NAD	Permanent	36 m2	1,430	30				
34	Jesuit Refugee Service	Prov. NAD	Permanent	36 m2	500	50				
35	ACTEE	Prov. NAD	Permanent	36 m2	341					
36	JRK	Prov. NAD	Permanent	36 m2	112					
37	YAS. BUDHA TZU CHI	Prov. NAD	Permanent	36 m2	3,700	0				
38	KUWAIT	Prov. NAD	Permanent	36 m2	168					
39	KMS	Prov. NAD	Permanent	36 m2	161					
40	Premiere Urgence	Prov. NAD	Permanent	36 m2	480					

No.	Donors	Location	House Type and Measurement (Permanent/Semi /Podium House)		CONFIRMED		Real Progress Number	REHAB. NUMBER		Real Progress Number
					NUMBER	NUMBER		NUMBER	NUMBER	
41	Belanda (TDH)	Prov. NAD	Permanent	36 m2	50	50	50	82,884		
42	Italian Corp	Prov. NAD	Permanent	36 m2	200					
43	Buddha Indonesia	Prov. NAD	Permanent	36 m2	50	50	50			
44	Sarah	Prov. NAD	Permanent	36 m2	41					
45	Germany (KFW)	Prov. NAD	Permanent	36 m2	4,189	28	28	838		0
46	Terre des Hommes Netherlands	Prov. NAD	Permanent	42 m2	618	182	182			
47	Terre des Hommes Germany	Prov. NAD	Permanent	42 m2	732	0	0			
48	Re.ACT (IAI & JURDI)	Prov. NAD	Permanent	36 m ²	159	0	0			
49	World Bank	Prov. NAD	Permanent	36 m2	3,500	0	0			
50	Palang Merah Internasional	Prov. NAD	Permanent	36 m2	1,200					
51	Zoe's Ark Foundation (ZAF)	Prov. NAD	Sementara	36 m2	20	3	3			
52	Realestat Indonesia (REI)	Prov. NAD	Permanent	36 m2	1,000	100	100			
53	GenAssist/Percik	Prov. NAD	Permanent	36 m2	417	6	6			
54	G.V.C (Italy)	Prov. NAD	Permanent	36 m2	50			80		
55	YBI	Prov. NAD	Permanent	36 m2	1,074	20	20			
56	UN-HABITAT	Prov. NAD	Permanent	36 m2	9,000	10	10			
57	GTZ	Prov. NAD	Permanent	36 m2	30	15	15	16		
58	THW	Prov. NAD	Permanent	36 m2	155	0	0			
59	ATLAS LOGISTIQUE	Prov. NAD	Permanent	42 m2	250			275		3
60	PEMDA SULAWESI SELATAN	Prov. NAD	Permanent	36 m2	150	32	32			
61	Yayasan Berkati Indonesia	Prov. NAD	Permanent	36 m2	600	7	7			

No.	Donors	Location	House Type and Measurement (Permanent/Semi / Podium House)		CONFIRMED NUMBER		Real Progress Number	REHAB. NUMBER		Real Progress Number
					NUMBER	NUMBER		NUMBER	NUMBER	
62	Muslim Aid	Prov. NAD	Permanent	36 m2	150	100	80	82,884		
63	Mercy Corp	Prov. NAD	Permanent	36 m2	15	0				
64	UNHCR	Prov. NAD	Permanent	36 m2	1,022	0				
65	Public Work (Perkim NAD)	Prov. NAD	Permanent	36 m2	3,500	50				
66	Care International	Prov. NAD	Permanent	36 m2	5,498	70	566			
TOTAL NUMBER					91,268	3,390	9,139		64	
DIFFERENCE from NEED					35,769		73,745			