



Strengthening Public-Private Partnership for Disaster Risk Management Experience from Vietnam

Dau Anh Tuan

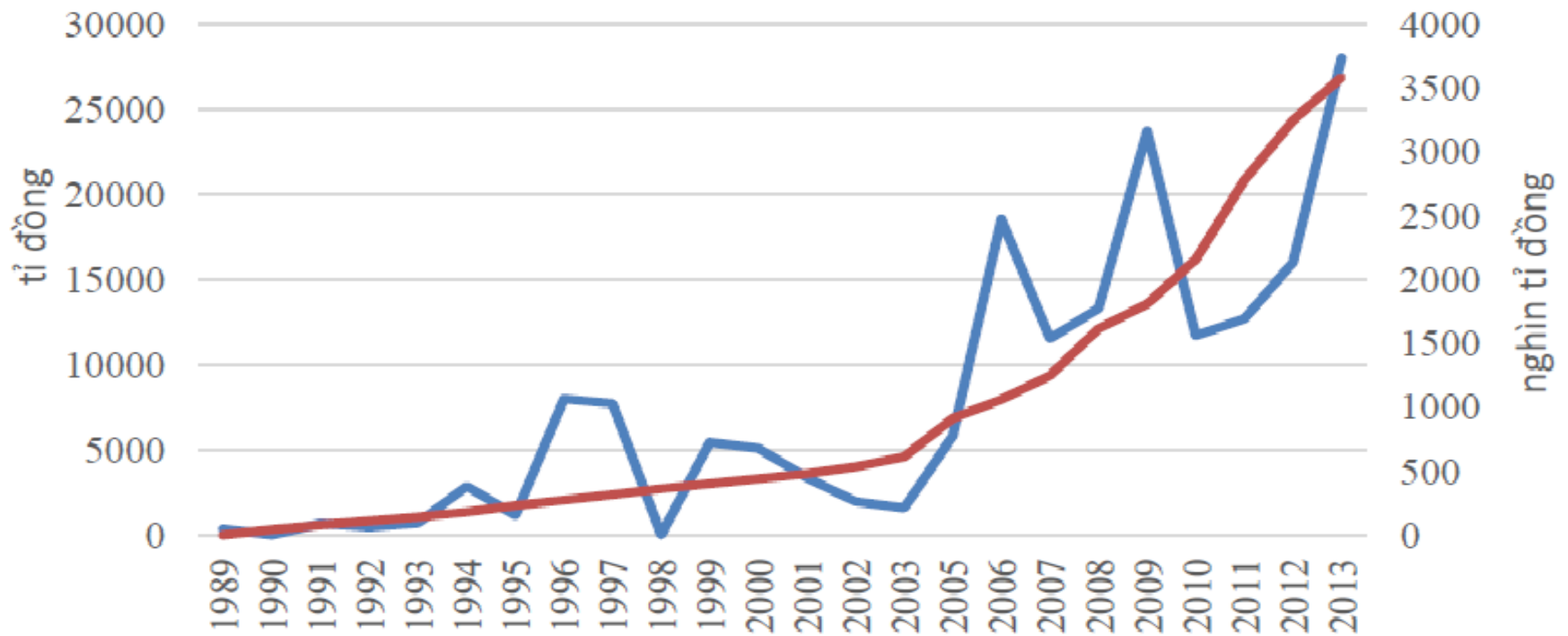
General Director, Legal Department

Vietnam Chamber of Commerce and Industry

Disaster in Vietnam

- One of the most 5 heavily affected countries in the world
- Account for 1,5 % GDP/year, hundreds of deaths and loss
- 70% of population incurred by disaster risk
- Occur with high frequency with more severe and complicated developments

Economic losses versus GDP growth in Vietnam





WHY BUSINESS?

- > 400,000 enterprises
- 97% SMEs --- 40% GDP with 50% of Vietnam labor force.
- Provide jobs, income, and services important for the development of vibrant communities.
- Their ability to bounce back, re-establish production is a critical determinant of both local community and the country's resilience to climate change.

Disaster's damage to Vietnam SMEs

- 85% of enterprises hit by seasonal storms
- 45% by floods
- and 12% by cyclones and high tide

(Survey 500 enterprises in central provinces conducted by VCCI and TAF in 2011)



Recent extreme rainfall and flood in Quang Ninh province - Vietnam

- VND 2,7 trillion loss (>US\$ 123 million)
- Supply chain disruption: Coal Shortage for thermal power plants in other province – energy security
- 30,000 employees temporarily stopped working for almost a month
- Tourist sector: Halong Bay
- Business continuity
- Recovery: In-direct cost

How they are ready to cope with flood/storm ?

- Over 80% of businesses said they had no disaster planning, or plans only existed on paper
- Over 60% had no disaster risk insurance

(Survey 500 enterprises in central provinces conducted by VCCI and TAF in 2011)

...and what did they get ?



- 60% had incurred losses: 5% experienced significant damage and 30% indicated heavy loss
- Important asset loss: 52% losses of physical structures; 47% losses of products; and 41% losses of equipment



...what do they think of ?

- Most of them rely on the supports from the Government
- Insurance is not an important factor
- They thought the Government still keep key role in DRM in Vietnam
- They claim Government on not adequately implementing its policies to support business to recover aftermath
- They want to know more on DRM policy and more training on DRM



SO...

- SMEs are vulnerable
- They are generally poorly prepared
- These factors potentially undermine the ability of communities to bounce back quickly from disaster
- However, conditions vary across the country and engaging with these issues must take into account the character of local disaster risks and business culture



VCCI-TAF's Public-Private Partnership initiative (2011-2014)

Objective: To build effective and sustainable disaster response in Vietnam through:

- Strengthening of public-private partnerships for disaster risk management;
- Capacity building of small and medium enterprises to prepare for and respond to disasters;
- And promotion of disaster-related corporate social responsibility initiatives



Approach

- **Building institutional linkages between government, business and community:** Vietnam Chamber of Commerce and Industry (VCCI) works with TAF, professional business associations, SMEs, NGOs, Disaster Management Center, and local governments;
- **Building capacity for businesses to analyze disaster risk and implement disaster planning in provinces**
- **Promoting Private Sector Engagement in CSR targeting DRM activities**

Some results:

- More than 2,000 managers from 1,200 businesses in 14 provinces were trained.
- PPP at provincial level has been developed.
- DRM policy dialogues with government has been frequent conducted
- Communication strategy



Lessons from implementation

- SMEs often have:
 - Short time horizons
 - Low management capacity
 - Have adapted to disaster risks without formal planning
- Identification of disaster risk is not sufficient to ensure interest in disaster risk planning
 - For areas that experience regular, predictable flooding adaptation may be built in to business operations
 - Areas that are experiencing a change such as a larger number or more intense storms may be more likely to lead to interest



Thank you!