

# The Tsunami Report Card

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**All too often, world leaders rush to make aid pledges in the aftermath of disasters, only to leave them unfulfilled as interest and attention wanes. But last year's devastating Asian tsunami spurred a response that may be a model for future disaster relief. A look at the numbers shows us why.**

Almost a year has passed since a massive tsunami devastated coastal communities throughout Asia in one of the worst natural disasters in modern times. On Dec. 26, 2004, an earthquake measuring 9.0 on the Richter scale sent ocean waves to Asian and East African shores, killing more than 225,000 people and displacing 1.7 million. The disaster spurred into action governments, international organizations, and hundreds of nongovernmental organizations (NGOs). Relief operations proceeded quickly and effectively, providing food, clean water, health services, and temporary shelter for hundreds of thousands of people. The remarkable response prevented the widely anticipated "second tsunami" of disease and malnutrition.

Still, the danger existed that the tsunami relief story would play out like too many others: Aid pledges are made following the disaster, only to go unfulfilled as interest and attention wane. But tsunami relief has been sustained. Donors are keeping their pledges, NGOs have billions in the bank to spend on projects, and survivors continue to be cared for relatively well. Substantial government aid packages have been complemented by an astonishing level of private giving. For example, the U.S. government has pledged a total of \$857 million, and U.S. private and corporate donations total at least \$1.48 billion.

To date, the world has raised an estimated \$13.6 billion. Some 92 countries provided assistance during the past year, including countries, such as North Korea and Niger, themselves in need of aid. The region is now transitioning from relief to recovery. Almost all the 150,000 Indonesian students who lost their educational facilities returned to school within two months of the disaster. Most are meeting in tents or temporary facilities, but plans are in place to rebuild more than 350 schools. Tens of thousands of unemployed people have gone back to work through cash-for-work programs and the busy construction sector.

These are temporary fixes, however, and a long-term solution depends on restoring the devastated fishing, agriculture, and small-business sectors and diversifying the local economies. Fortunately, the tourism industries of affected countries have bounced back quickly, with the exception of the Maldives, which has seen a 45 percent drop in visitors this year. Food supplies are adequate. Health and sanitation remain good as the reconstruction of medical facilities progresses. Housing is the short-term challenge that most frustrates the displaced persons and aid donors. Living conditions in tent camps and temporary shelters have deteriorated over the year, and though increased donor attention has recently accelerated the pace of construction, the number of people in permanent or adequate temporary houses remains low.

Except for the Maldives, the impact on the national economies of affected countries will be relatively small, but huge locally. Enough money has been raised to cover most medium-

term reconstruction costs, if it is well spent. The unprecedented amount of resources mobilized may allow affected areas to realize the relief community's mantra of "building back better"—rebuilding communities with better housing, education, healthcare, and economies than existed before the disaster. Due to their sizable aid commitments, international donors have sustained their focus on transparency and accountability in the recovery process. Innovative publicly available systems have been developed to track tsunami-related spending and to match donors with recipients, such as the U.N. Tsunami Expenditure Tracking System and publicly accessible online databases that keep track of aid dollars. Indeed, the most pressing need is for better coordination of the hundreds of groups involved. Ironically, one problem at this point may be that some organizations have too much money. Some relief officials complained earlier in the year that NGOs flush with money were able to work alone and "fly the flag," ultimately hindering the integration of relief operations and leading to duplication.

What explains the unusually generous world response? First, the sheer size and uniqueness of the calamity: Giant tsunamis are much less common than deadly earthquakes. The timing of the disaster during the holiday season and the extensive media coverage contributed to public awareness.

The disaster also struck many Westerners personally, as more than 2,000 tourists from over 40 countries were killed. And it helped that relief supplies could reach the affected region easily by sea. The relief effort has also had the benefit of former U.S. President Bill Clinton, who serves as the United Nations' special envoy for tsunami recovery. Before serving in his U.N. capacity, Clinton worked with former President George H.W. Bush to raise private U.S. donations.

Donors and governments are also working to limit damage from future disasters and bolster their ability to respond. The United Nations and Indian Ocean countries have started to develop a regional tsunami early warning system, which is slated for completion by late 2006. Painfully aware that coastal overdevelopment, such as the clearing of mangrove forests, magnified the waves' impact, governments and NGOs are trying to balance reconstruction goals with environmental protections needed to mitigate future damage. It isn't easy. In Aceh, for example, the demand for lumber has fueled illegal logging, which could increase the region's vulnerability to future disasters.

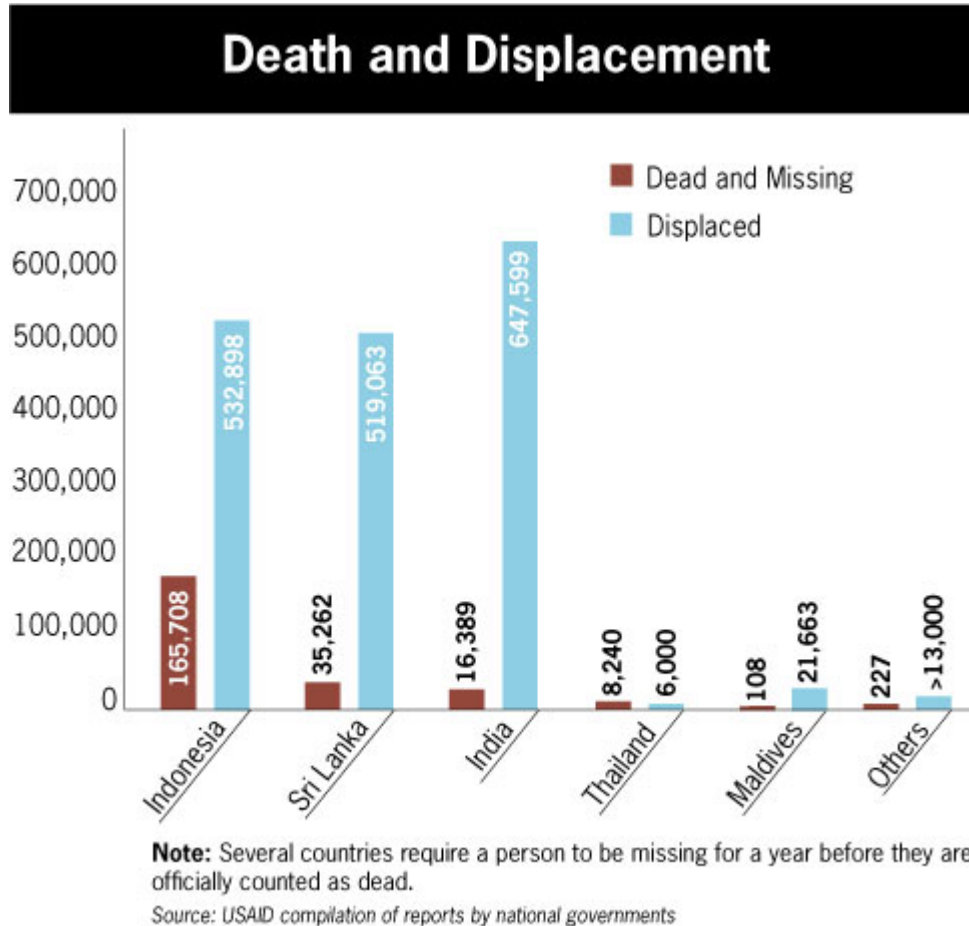
While full reconstruction may take five years or longer, if the level of commitment demonstrated by the international community is maintained, the tsunami will be remembered as a model for effective global disaster response, not just as a disaster. Because of the speed and generosity of the response, its effectiveness compared to previous (and even subsequent) disasters, and its sustained focus on reconstruction and prevention, we give the overall aid effort a grade of "A." See the appended graphs of the region's progress since the tsunami struck almost one year ago.

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## **The Tsunami Report Card: Indicators**

## Death and Displacement

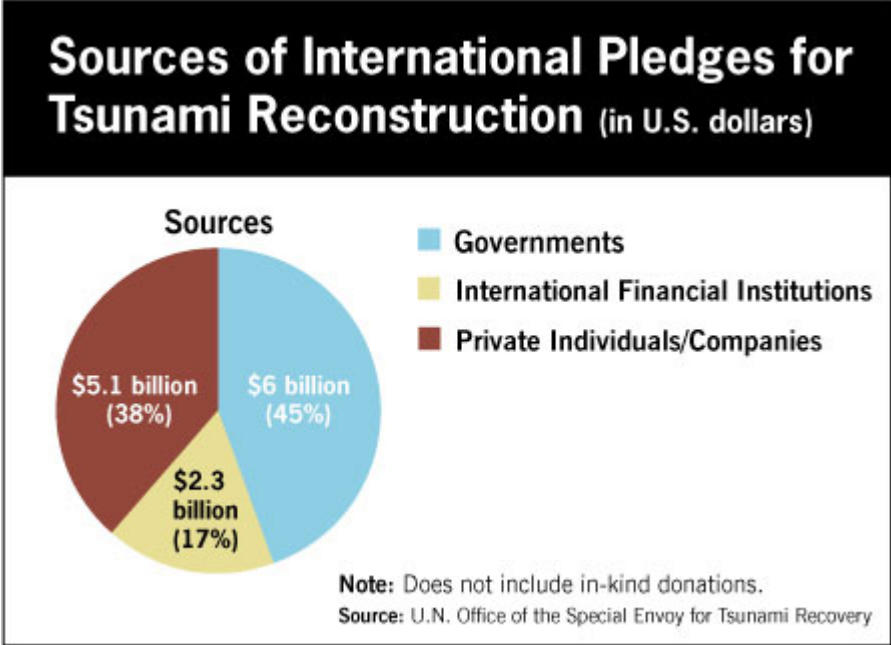
Last year's December 26 tsunami was the deadliest tsunami in recorded history and one of the worst natural disasters in modern times. As of late November, 225,934 people were listed as either dead or missing. A dozen Indian Ocean countries suffered death and destruction, and citizens of several dozen other countries were killed as well. The disaster hit the poor particularly hard, and many more women were killed than men. Of the 1.7 million displaced, hundreds of thousands continue to live with family or friends while tens of thousands remain in tent camps and temporary shelters.



## The Most Generous Disaster Response Ever

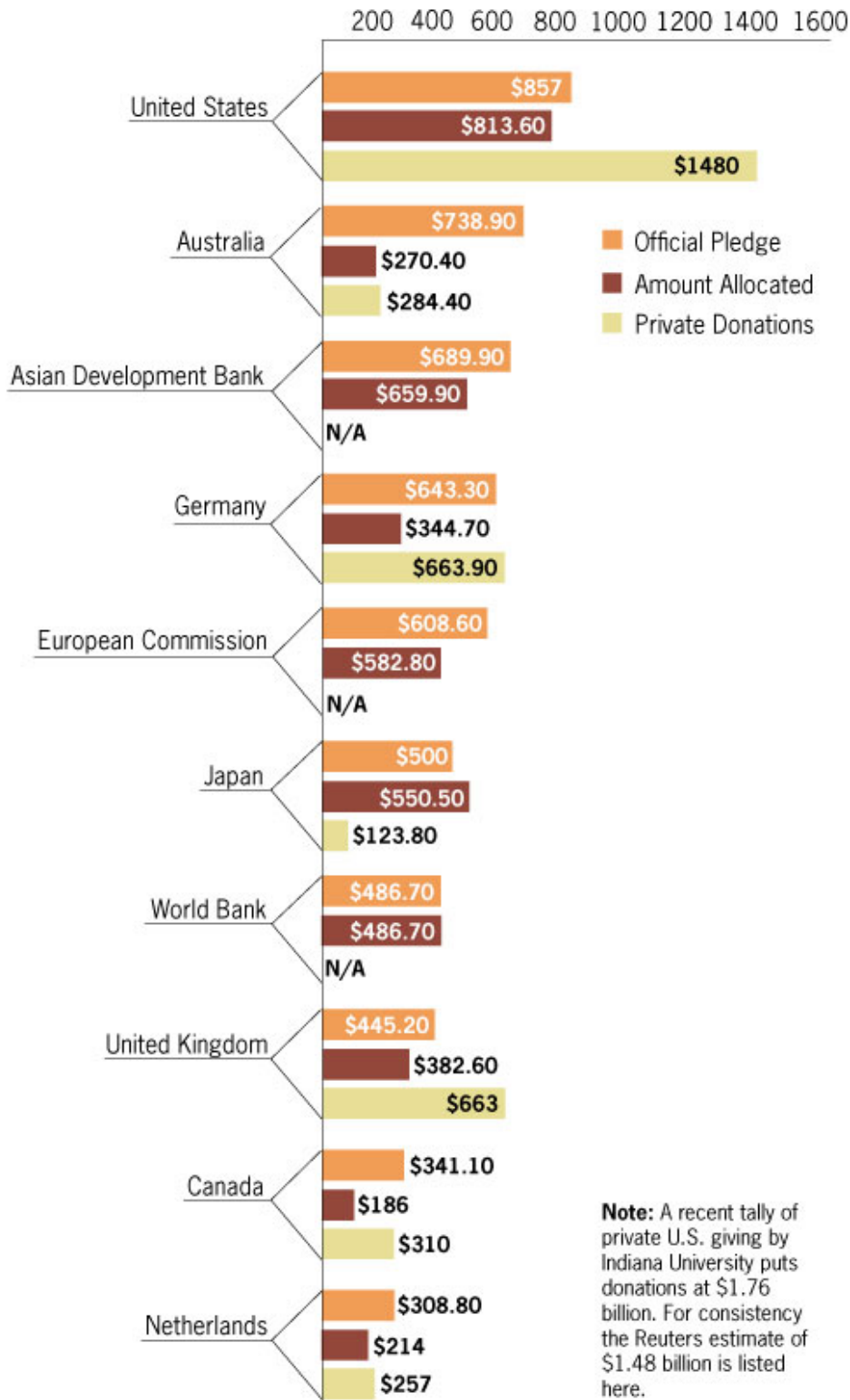
The global response to the tsunami was immediate and extensive, as governments, businesses, and individuals opened their wallets and contributed an estimated \$13.4 billion.

Often, private contributions exceeded the government assistance packages, as in the United States, where businesses and individuals gave almost twice the amount of Washington's official aid package (which was itself the largest government donation). Governments are mostly keeping their word and have allocated large shares of their pledges to either governments of affected countries or specific projects.



# Top 10 Contributors to Tsunami Aid

(in millions of U.S. dollars)



**Note:** A recent tally of private U.S. giving by Indiana University puts donations at \$1.76 billion. For consistency the Reuters estimate of \$1.48 billion is listed here.

## Humanitarian Response Outpaces Giving for Other Disasters

Since 1992, the U.N. consolidated appeals—which gauge the post-disaster needs of U.N. agencies and many NGOs for humanitarian operations—have only received enough funds for two thirds of the stated needs of an average operation. By contrast, the tsunami was “the most generous and immediately funded relief effort ever,” according to Jan Egeland, the U.N. under secretary-general for humanitarian affairs and emergency relief coordinator. As of Nov. 30, 2005, 84 percent of the financial needs for the U.N. tsunami appeal had been met, whereas the 25 other U.N. consolidated appeals for 2005 were funded at an average of only 50 percent. Despite pledging billions in loans and long-term reconstruction aid for Pakistan following a devastating October 8 earthquake, humanitarian relief operations are still underfunded. The earthquake killed some 73,000 Pakistanis and 1,300 Indians, and without increased relief efforts as winter sets in, many thousands more could die from disease, hunger, and exposure.

Comparison of Select U.N. Consolidated Humanitarian Appeals in 2005		
Disaster	Percent of Requirements Covered	Unmet Requirements (in U.S dollars)
Indian Ocean Earthquake	84 %	\$203,720,699
Niger	64 %	\$29,023,191
Guatemala	57 %	\$13,575,870
Chad	54 %	\$103,712,662
Sudan	51 %	\$933,056,022
Burundi	49 %	\$62,295,988
South Asia Earthquake	29 %	\$389,793,379
Total of all 25 consolidated appeals of 2005	59 %	\$2,382,860,125
Total of all 2005 consolidated appeals excluding Tsunami	52 %	\$2,179,139,426

**Source:** U.N. Financial Tracking Service, as of Nov. 30, 2005

## Economies Bounce Back, Coastal Areas Still Hurting

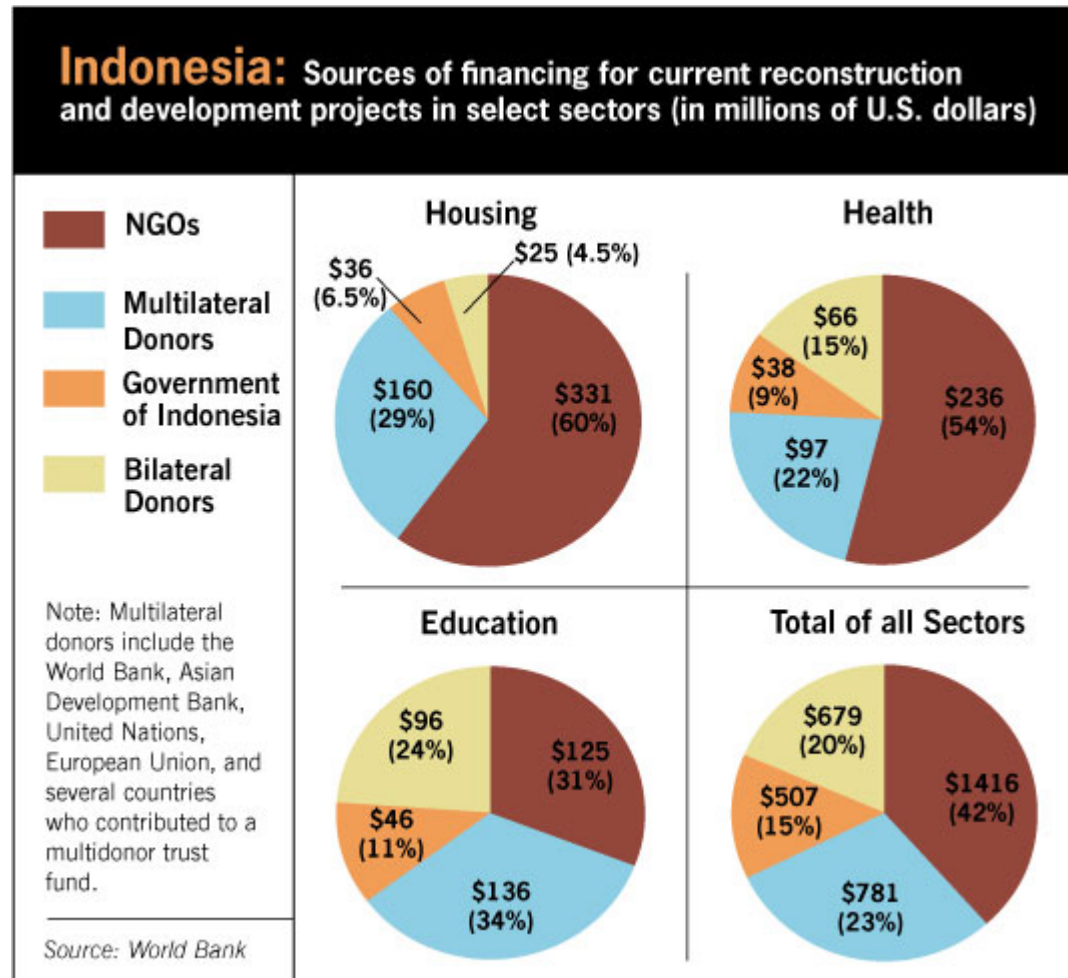
The tsunami devastated local economies. For example, damage and losses in the Indonesian province of Aceh were equivalent to 97 percent of the province's gross domestic product (GDP). The traditional economic sectors of coastal communities—fishing, small-scale agriculture, and trade—remain depressed. Most national economies, however, will continue to maintain solid growth rates for 2005. The one exception is the Maldives, where the economy will likely contract this year, largely due to the drop in tourism. The disaster was a particularly hard psychological blow there, as the Maldives had graduated from the U.N. category of "Least Developed Country" six days before the tsunami. As the country's president said, "Two decades of development were washed away."

Comparison of the Tsunami's Economic Impact				
Country	Total Damage and Losses (in millions of U.S. dollars)	Losses as a Percentage of GDP	Pre-Disaster Forecasted 2005 Growth Rate	Tsunami Impact on 2005 GDP Growth
Indonesia	\$4,451	2 %	5.4 %	- 0.2 %
Thailand	\$2,198	1.4 %	6.0 %	- 0.3 %
Sri Lanka	\$1,454	7.6 %	6.0 %	- 0.6 %
India	\$1,224	0.2 %	7.2 %	N/A
Maldives	\$603	83.6 %	7.5 %	-9.2 %

**Source:** Joint Assessments by World Bank, Asian Development Bank, United Nations, and Japan Bank for International Cooperation; World Bank compilation of data from the Asian Disaster Preparedness Center

## NGOs Step Up

NGOs have played an increasing role in disaster response and recovery in recent years, but the tsunami response broke new ground. There are some 124 international NGOs and 430 local or national NGOs working in Indonesia alone. NGOs are often able to move money and implement programs quicker than governments or multilateral agencies. They have, for example, financed 38 percent of current reconstruction projects in Indonesia. At the same time, NGO-financed activities are often harder to coordinate and standardize, and the more ad hoc nature of projects can complicate plans for an integrated recovery.





## Spending Wisely

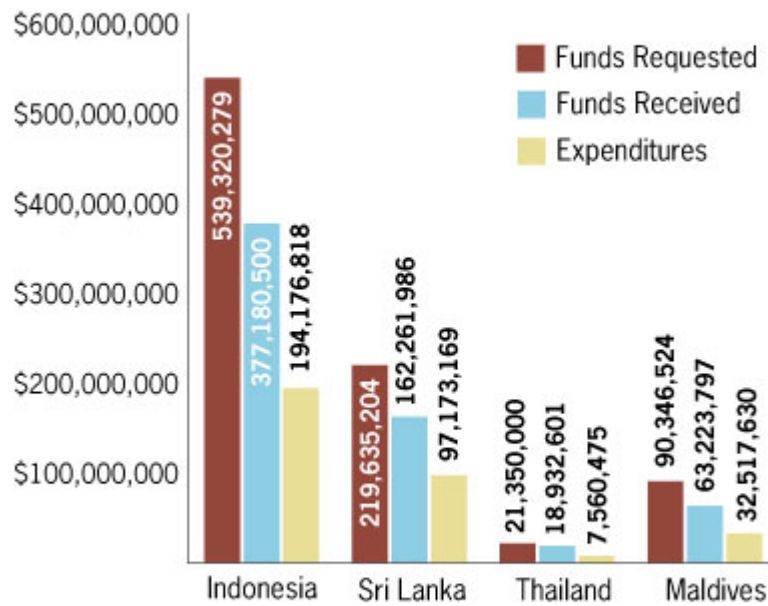
Recovery from the tsunami's extensive damage will require careful planning and coordination as entire communities are rebuilt. Enough resources have been mobilized to meet most short-term humanitarian needs and to cover medium-term reconstruction costs. The challenge now is not raising more money but ensuring that reserves are spent efficiently. In Indonesia, the government, donors, and NGOs each have more than \$2 billion to spend until 2009, according to the World Bank. Although \$2.9 billion is programmed for reconstruction projects, and another \$770 million for broader development programs, less than \$500 million has been disbursed.

Estimated Reconstruction Needs, Funds Pledged from External Sources, and Funds Secured (in U.S. dollars)				
Country	Estimated Needs (in U.S. dollars)	Funds Pledged	Funds Secured	Outstanding Pledges
Indonesia	\$5—5.5 billion	\$6.5 billion	\$4.46 billion	\$2.04 billion
Sri Lanka	\$2.15 billion	\$2.95 billion	\$2.24 billion	\$710 million
India	\$2.10 billion	\$800 million	\$800 million	0
Maldives	\$375 million	\$262 million	\$253 million	\$9 million
TOTAL	\$9.69—10.19 billion	\$10.5 billion	\$7.75 billion	\$2.76 billion

**Note:** The governments of affected countries will also be contributing money to the recovery process—India has earmarked some \$1.4 billion, and Indonesia is expected to contribute \$2 billion.  
**Source:** U.N. Office of the Special Envoy for Tsunami Recovery, from national governments

The sectors where immediate relief was most important, such as food and health, were well covered. Other sectors that will be important to the region's long-term recovery, such as agriculture and broad economic assistance, are not as well funded and fewer projects have been implemented. The U.N. Flash Appeal figures exclude the billions more raised for reconstruction, but they provide a useful snapshot of the funding and expenditure levels of humanitarian projects by country in the year since the tsunami.

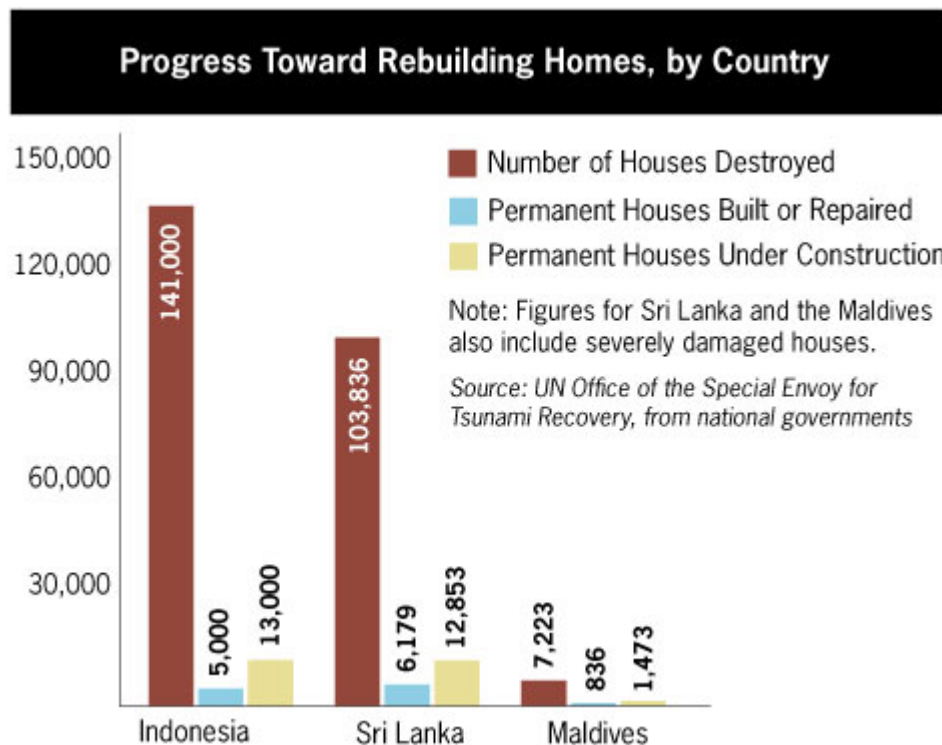
**U.N. Flash Appeal Country Comparison of Funds Requested, Received, and Expended (in U.S. dollars)**



Note: \$409 million has been requested for regional-wide projects involving food provision, coordination and support services, and health. \$316.1 million has been received for those projects, and \$218.3 million has been spent.

## The Housing Challenge

Providing adequate shelter for the displaced remains one of the most difficult short-term challenges in the recovery effort, particularly in Indonesia and Sri Lanka. Tens of thousands of people have found temporary accommodation with friends or relatives, but many thousands remain in tent camps and shelters. Living conditions in those centers deteriorated during the year, and tens of thousands of more durable temporary housing units will be needed until permanent housing is built. The pace of permanent housing reconstruction has been slow, due to the complexities involved in reconstructing entire areas, coupled with coordination problems and material shortages. There are signs of recent progress, however. Although the overall number of houses for the displaced remains low in Indonesia, housing starts increased from 1,000 in June to 5,000 in October.



### Want to Know More?

The [U.N. Office of the Special Envoy for Tsunami Recovery](http://www.tsunamispecialenvoy.org/) (<http://www.tsunamispecialenvoy.org/>) offers comprehensive data on the tsunami recovery, and [ReliefWeb](http://www.reliefweb.int/) (<http://www.reliefweb.int/>) maintains a tsunami page with information from governments, nongovernmental organizations, and multilateral institutions. The World Bank, in cooperation with other multilateral institutions, has produced a series of [in-depth assessments](http://www.worldbank.org/tsunami) (<http://www.worldbank.org/tsunami>) on the impact of the tsunami on the most affected countries. The United Nations and national governments are making unprecedented efforts to demonstrate transparency in their allocation of money for tsunami recovery. A U.N. Flash Appeal Web site [tracks expenditures](http://dadthailand.mfa.go.th/dad/), and development assistance databases that track spending on specific projects can be found for [Thailand](http://dadthailand.mfa.go.th/dad/) (<http://dadthailand.mfa.go.th/dad/>) and [Sri Lanka](http://dad.tafren.gov.lk/) (<http://dad.tafren.gov.lk/>). A site for Indonesia is under construction.