

RISK GOVERNANCE

GOVT INITIATIVES TO TACKLE FLOOD ISSUES

Focus on short- and long-term intervention measures to protect rakyat

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FLOODS in Malaysia have caused billions of ringgit in losses. Last year, the Statistics Department estimated the total loss due to floods at RM6.1 billion, which affected residences, vehicles, business premises and infrastructure.

In the 2023 Budget, the government provided an allocation of more than RM1 billion to implement flood mitigation projects as well as flood disaster relief operations.

According to a study by Universiti Malaya, the flood in Terengganu in 2014 was estimated to have reduced the potential gross domestic product by up to 1.5 per cent.

This means floods that occur every year have a negative impact on the economy as a result from damage to property, disruption to economic activities and reduced sources of income for the people.

At the international level, the

United Nations, through the Sendai Framework for Disaster Risk Reduction 2015-2030, has outlined the need to strengthen disaster risk governance to reduce the impact on life, health, environment and economy.

The country is focusing on short- and long-term intervention measures to provide protection for people who are vulnerable to flooding risks.

Cash aid for flood victims and flood management are among the initiatives carried out by the government.

In order to build the country's resilience to adapt to climate change, a long-term strategy has been taken.

This includes the implementation of a flood mitigation plan until 2030 worth RM15 billion, which covers the implementation of flood mitigation projects,

construction of dual-function reservoirs and upgrading of the weather forecast system.

New innovations are also being strengthened in the 12th Malaysia Plan.

Cognisant of the fact that flood disasters not only result in damage to property and loss of life but also people's income, the government is turning its attention to protect the latter.

A flexible social protection system through a disaster risk transfer mechanism, including disaster risk insurance, will be studied to reduce post-disaster liability. This will help to ease the government's financial burden.

However, flood crisis management requires an integrated governance ecosystem formed through the involvement of political commitment, as well as the participation and coordination of a network of government agencies, the private sector and local communities.

In order to realise these short- and long-term targets, the coun-

IMPLICATION OF FLOODS ON THE ECONOMY AND THE STRATEGIES TO REDUCE NATURAL DISASTER RISKS

DIRECT IMPACT

- Total expected loss of RM6.1 billion for the whole of 2021*
- Can reduce the gross domestic product growth by 1.5 per cent**

FLOOD MANAGEMENT METHODS

- Special flood allocation in the annual national budget
- Natural disaster relief missions to be led by National Disaster Management Agency (Nadma)
- RM15 billion for national flood mitigation plan up to 2030
- Upgrading of national-level weather forecasting system.

NON-DIRECT IMPACT

- A decline in workers' productivity and income
- Disruption to supply chain and flow of services in main industrial areas

PLANS TO HANDLE IMPACT OF NATURAL DISASTERS UNDER 12TH MALAYSIA PLAN

- Conducting study into a flexible social protection system
- Natural disaster insurance

Source:

* Statistics Department Special Report on Impact of Floods 2021

** Figures are based on impact study in Terengganu by Universiti Malaya researchers in 2014, 12th Malaysia Plan (2021-2026), 2023 Budget speech and Finance Ministry

try needs a stable government to ensure that Malaysia's flood management can be transformed into a holistic form of management.

A stable government also needs to implement flood management in a sustainable and inclusive

manner so that the welfare of its people will continue to be preserved.

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