# Changing minds on drought management – the economic case

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#### Thanks to

- 34 IDMP Advisory Committee members 2015 and 2016



- 17 Participants in the IDMP Expert Group Meeting, September 2016



- WMO, GWP 2017 Working Paper developed by Nicolas Gerber and Alisher Mirzabaev



- 40 Participants in the World Bank, NOAA, IDMP Workshop on Drought Mitigation & Preparedness: Benefits of Action and Costs of Inaction, April 2017

http://www.droughtmanagement.info

→ Connect → Benefits of Action and Costs of Inaction (BACI)



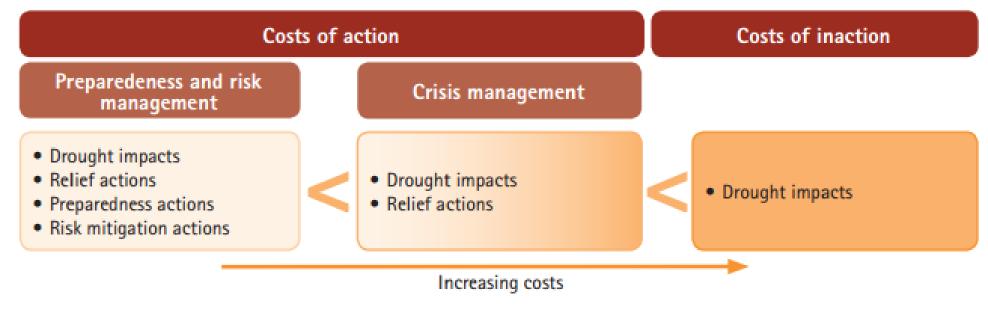








## Hypothesis: the (social) costs of action are lower than the (social) costs of inaction



Source: WMO, GWP 2017

Supported by evidence: in the US, each \$ spent on drought risk mitigation saves > 2\$ of future disaster costs (FEMA, in Logar & van den Bergh, 2013)





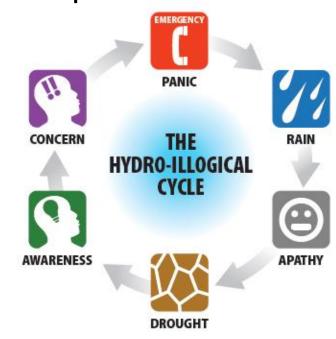




#### Message 1: Be Ready

- Opportunity of a drought to propose solutions
- Importance of impact assessment
- Context matters: The economic argument must understand the political economy to create change
  - political & governance context;
     part of development process
  - overcome lack of political will

#### Escape from?



Source: National Drought Mitigation Center, University of Nebraska-Lincoln







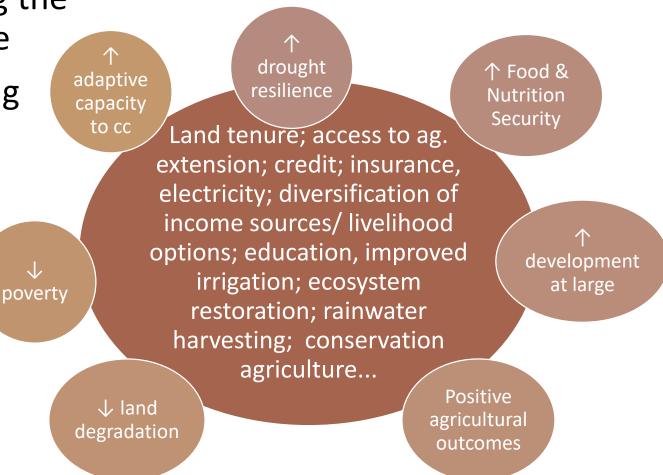


### Message 2: Evidence to support

Strengthening the evidence base

Link to existing agendas

Co-benefits











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• Link to existing

agend

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- → Connect to governments where it matters, show 'low-hanging fruits' & socio-economic cobenefits
- → Cannot eliminate drought vulnerability Identify more efficient drought responses and early action

↓ land degradation

agricultural outcomes



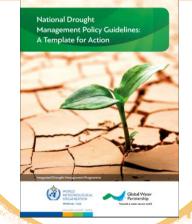






# Message 3: Phased & integrated strategies

- Need for an organized framework to assess drought risks and analyzing benefits of actions and costs of inaction
  - → Comparability across countries and contexts while tailored to specific local requirements
- Apply economic argument alongside drought policy guidance





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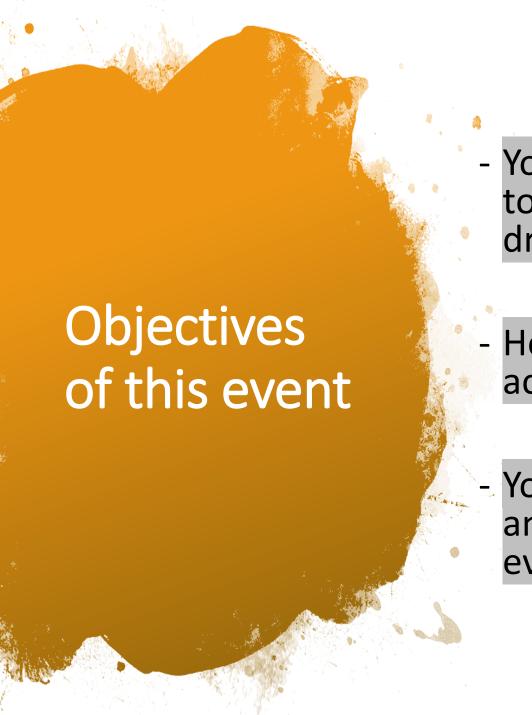
## Message 3: Phased & integrated strategies

- National Drought
  Management Policy Guidelines:
  A Template for Action
- → The economic argument and assessments can support proactive response to drought BUT numbers alone will not lead to action.
- → Drought information has no value if it does not lead to management decisions
- Apply economic argument alongside drought policy guidance

b







 Your view on the challenges to shift from drought crisis to drought risk management

How to motivate proactive action towards drought

Your feedback on next steps and how to expand the evidence base