

Briefing Paper
The ASEAN Leaders' Special Summit
Earthquake and Tsunami Disaster
6 January 2005, Jakarta
and
Aceh Visit

Chaired by the President of Indonesia Susilo Bambang Yudhoyono, the ASEAN Leaders' Summit was held to consider the impact of and response to the 26 December 2004 earthquake off the west coast of the Indonesian island of Sumatra and the devastating tsunami that the earthquake unleashed. The two consecutive events have wreaked havoc on the lives and livelihoods of the population of several Indian Ocean countries and jolted the topography of the region. This was a disaster of unprecedented, global dimension, requiring, as the United Nations (UN) Secretary-General stated, an unprecedented global response.

The Summit brought together the heads of state and senior officials from countries directly hit by the tsunami, including ADB developing member countries Indonesia, the Maldives, and Sri Lanka. Heads of state and senior officials of other affected countries within and outside the region and of nations providing assistance also participated in the Summit. The heads of international organizations were also present, including the Asian Development Bank, the World Bank, International Monetary Fund, and the UN. UN was represented by the Secretary-General and heads of emergency relief and humanitarian assistance agencies. ADB delegation to the Summit included President T. Chino, Director General of SERD and SARD, Country Director, IRM and Chief Advisor to President.

The heads of delegations made brief statements that expressed grief and shock over the scale of the human tragedy and devastation that shook the Asian continent and transcended beyond national and regional boundaries. The UN Secretary-General described this as "the largest natural disaster the UN has had to respond to on behalf of the world community in the sixty years of its existence." By 8 January 2005, the number of people confirmed to have perished had risen to 150,000, over two-thirds in the Indonesian province of Aceh. Many more have been injured and lost homes and livelihoods. Of the 199 inhabited islands in the Maldives, 53 suffered severe damage and 10% of the islands were totally destroyed. In Aceh and Sri Lanka, whole communities on low-lying coastal areas have been largely erased by the tsunami waves. Aceh has been the worst affected region in the tragedy with the impact spread across the province. More than 600,000 people are said to be gathering in relief camps established for them by the authorities and international organizations.

The joint declaration of the Summit participants (see Attachment) emphasized the need to address the different elements of this natural disaster: (i) emergency relief, (ii) rehabilitation and reconstruction, and (iii) prevention and mitigation. The Summit called for high priority to be given to emergency relief. Quick action by military units of the affected nations and those from countries such as Singapore and the United States have provided emergency logistical support to locate injured people and provide essential medical supplies, food and safe drinking water. The United States Agency for International Development's Disaster Assistance Response Teams were deployed to India, Indonesia, Sri Lanka and Thailand. Alongside these immediate rescue and relief

efforts is ongoing humanitarian work by UN agencies, especially World Food Programme and the Office for the Coordination of Humanitarian Affairs (UN-OCHA).

The Summit Leaders requested the UN to mobilize international support for the relief efforts. To this end the Secretary-General appealed for \$977 million, citing especially the nearly 5 million people left homeless after the tragedy. He announced that the UN Emergency Relief Coordinator, Jan Egeland, has been designated as the leader of the UN humanitarian effort, and Margareta Wahlstrom as his Special Coordinator within the affected region.

Summit participants pledged over \$4 billion in support of relief and future reconstruction and rehabilitation efforts. Pledges were quite generous. For example, Japan's indicative support is \$500 million, Australia has pledged A\$1 billion (equally split between grant and concessional funds), the United States committed an initial \$350 million, part of which is to be channeled as bilateral grants and some through multilateral institutions, in addition to the cost of relief work being undertaken by US military forces, and the European Union collectively committed support in the range of Euro1.5 billion, through contributions from its member states and other organizations.

These pledges ranged from specific contributions for medical relief to more general support, for example that of the European Union of Euro1 billion under the European Investment Bank's Tsunami Relief Fund. Some pledges, such as those by bilateral agencies currently involved in relief operations, stressed funding for humanitarian aid in the near term, while others, such as those from the international financial institutions, including ADB and World Bank, focused on activities expected to come in the first six months for rehabilitation and reconstruction. One aspect of the financing was a proposal from the G8 members to provide a moratorium on debt repayments by the affected nations to deepen their fiscal capacity and to enable them to enhance public spending for rebuilding devastated areas. This is, however, a subject of further discussion at the forthcoming Paris Club meeting scheduled on 12 January 2005.

ADB confirmed that it stands ready to deploy its expertise and resources and is prepared to provide up to \$500 million in grants and concessional funds, in addition to reallocations from ongoing projects. The World Bank indicated a commitment of \$250 million as initial support for the first six months. Subsequent to the ASEAN Summit, in Aceh, the President of the World Bank announced \$301 million assistance program for Indonesia. This includes reprogramming of existing projects (\$76 million) and \$225 million new funds (including cofinancing), nearly all in the form of concessional loans (IDA) and grants. IMF indicated that it is engaged in assessing the macroeconomic consequences and financing needs, and that it stands ready to provide financial assistance to affected countries, in the first instance through its Emergency Natural Disaster Assistance Facility. This financing, which could be in the order of \$1 billion for the most affected countries, could be made available quickly and without an IMF program. Currently, there are no indications that affected countries will tap this facility.

The longer-term efforts, to begin after the relief operations have advanced to a satisfactory stage, were recognized by the Summit as requiring coordinated efforts by the international community. The international financial institutions, including specifically ADB, the Islamic Development Bank, and the World Bank, were asked to ensure funding for the "viability and sustainability of those programs."

The sheer scale of the tragedy will hamper reconstruction efforts in the immediate future, as whole communities and large infrastructure networks have been destroyed. Important questions must be answered with respect to spatial planning in general, and the location of reestablished communities and support infrastructure in particular. Some communities may need to be moved inland as coast lines have been altered by the tidal waves and as people may be reluctant to rebuild and relocate along the sea.

The Summit further called for efforts directed at prevention and mitigation. While it is recognized that earthquakes can neither be stopped nor accurately predicted, warning systems can be put into place to alert people to impending disasters. ADB's pledge of \$1 million to support such an activity was one of many technical offers made by participants, anxious to ensure that the lessons of this tragedy can be applied to prevent similar events in the future. The President of Indonesia called for revitalizing the ASEAN Regional Program on Disaster Management and formulating an action plan for the establishment of an ASEAN Security Community that will provide for coordinated use of military and logistics in rescue and relief operations.

Following the ASEAN Summit, heads of the UN and the international financial institutions were flown to Banda Aceh (the capital city of Aceh) and Meulaboh (a badly damaged city along the western coast), covering a stretch of 240 kilometers within the province. From an aerial view, it is obvious that the damage to Aceh is phenomenal and deep. The devastation runs across the entire shoreline and goes deep inland. The movement of tectonic plates has moved the shoreline and the topography has changed significantly. Impacts of land degradation and salinization are likely to be massive and it is unclear at this stage how much of the land can be reclaimed and rehabilitated. Key road networks, ports and airports have been destroyed. In a joint press conference at the end of Aceh visit, UN and IFIs heads reiterated commitment to support the disaster and recovery efforts.

ADB has had intensive dialogue with the affected developing member countries and agreed to the nature and form of support that it can offer. Sector teams are already in the field in Indonesia, the Maldives and Sri Lanka and will be working as a first step to reprogram existing funds and determine immediate needs and requirements. ADB is participating in the Government-Donor Joint Damage and Needs Assessment, and once the results of the Assessment and requirements have been determined, ADB will develop new operations to support larger reconstruction and rehabilitation needs.

**SPECIAL ASEAN LEADERS' MEETING ON
AFTERMATH OF EARTHQUAKE AND TSUNAMI
JAKARTA, 6 JANUARY 2005**

**DECLARATION ON ACTION TO STRENGTHEN EMERGENCY RELIEF,
REHABILITATION, RECONSTRUCTION AND PREVENTION
ON THE AFTERMATH OF EARTHQUAKE AND TSUNAMI DISASTER
OF 26 DECEMBER 2004**

We, the Heads of State/Government, Special Envoys and Heads of regional as well as international organizations, who gathered here on 6 January 2005 in Jakarta, Indonesia, expressed solemnly our profound sorrow and our solidarity to overcome the unprecedented catastrophe befalling the Indian Ocean rim countries on 26 December 2004.

This unprecedented devastation needs unprecedented global response in assisting the national governments to cope with such disaster. This would entail efforts in emergency relief, rehabilitation, and reconstruction that may take five to ten years, with resources that cannot be borne by any individual country.

We deeply appreciate the generous contribution and assistance offered by many countries and the overwhelming expressions of support and assistance from governments, non-governmental organizations and citizens of the world at large.

We applaud the leading role of the affected countries in addressing this disaster, and we recognize the role of the United Nations in assisting the affected countries' coordination of international assistance at the emergency relief phase.

We underlined the need to coordinate better and ensure that those contributions would be effective and sustainable, to truly address the suffering of the victims and to prevent such calamity from recurring.

We expressed our continuing commitment to assist the affected countries and their peoples in order to fully recover from the catastrophic and traumatic effects of the disaster, including in their mid and long-term rehabilitation and reconstruction efforts.

To these ends, we agreed to

1. Emergency Relief

- a. Urgently mobilize further additional resources to meet the emergency relief needs of victims in the affected countries.

- b. Request the United Nations to mobilize the international community to support the national relief emergency programs in the affected countries, and welcomed in this regard, the Flash Appeal by the United Nations. In this connection, further request the United Nations to appoint a Special Representative of the UN Secretary-General for the above purpose; to convene an international pledging conference for the sustainability of humanitarian relief efforts; and to explore the establishment of "standby arrangement" at the global level for immediate humanitarian relief efforts.
- c. Strengthen coordination and cooperation of the national, regional and international relief efforts, to ensure effective and immediate distribution of the assistance.
- d. Support the efforts of the affected countries, as national coordinators, to ensure an effective channeling and utilization of assistance as offered by donor countries, international organizations and non-governmental relief organizations.

2. Rehabilitation and Reconstruction

- a. Support and emphasize the importance of national rehabilitation and reconstruction programs given the devastation of the basic infrastructures and services in the affected countries. The reconstruction and rehabilitation phase should link seamlessly with the humanitarian relief efforts.
- b. Call on the international community, in particular the donor countries, the World Bank, the Asian Development Bank, the Islamic Development Bank, European Investment Bank, and related international financial institutions to provide the necessary fund for the viability and sustainability of those programs.
- c. Establish a partnership, upon the request and the leadership of the country concerned, involving donor countries and regional as well as international financial institutions, to support the respective national programs of the affected countries.
- d. Welcome the initiative of several countries on the moratorium of payments of the external debt of the affected countries to augment their national capacity to carry out the rehabilitation and reconstruction efforts.
- e. Promote and encourage private sector participation in and contribution to the rehabilitation and reconstruction efforts.

3. Prevention and Mitigation

- a. Support ASEAN's decision to establish regional mechanisms on disaster prevention and mitigation, *inter alia*:
 - i. The utilization of military and civilian personnel in disaster relief operation and an ASEAN Humanitarian Assistance Centre, as provided for in the ASEAN Security Community Plan of Action;
 - ii. ASEAN Disaster Information Sharing and Communication Network, as provided for in the ASEAN Socio-Cultural Community component of the Vientiane Action Programme;
 - iii. A regional instrument on disaster management and emergency response.
- b. Establish a regional early warning system such as Regional Tsunami Early Warning Center on the Indian Ocean and the Southeast Asia region.
- c. Promote public education and awareness as well as community participation in disaster prevention and mitigation through *inter alia* a community based disaster preparedness and early response.
- d. Develop and promote national and regional human and institutional capacity, transfer of know-how, technology, and scientific knowledge in building and managing a regional early warning system and disaster management through international cooperation and partnership.

We believe that through concerted efforts, spurred by spirit of compassion and sacrifice and endurance, together, we will prevail in overcoming this catastrophe.

Jakarta, 6 January 2005

