Chartered Institute of Government Finance, Audit & Risk Officers (CIGFARO)

“Reviewing the Fundamentals of Public Finance in a Changing World”

Disaster Management in a world affected by Climate Change

Mr. Johann Mettler, City Manager
City of Tshwane

Disaster Risks: Understanding Climate Change Impact

- Climate change is reshaping the risk landscape: more frequent, intense, and unpredictable disasters.

- Public finance systems are under unprecedented strain: balancing immediate disaster response with long-term resilience investments.

- Effective disaster management is now inseparable from sustainable public financial management

The Evolving Nature of Disaster Risks

- **Escalating frequency & severity**: Heatwaves, floods, wildfires, droughts are no longer exceptions but recurring realities.
- **Compound & cascading risks**: One disaster triggers others (e.g., drought → food insecurity → social unrest).
- **Urban vulnerability**: Rapid urbanization amplifies exposure, especially in informal settlements and underserved areas.
- **Technological dimension**: Digital platforms enable early warning but cyber risks can disrupt emergency systems.

Impact on Public Financial Planning & Resource Allocation

- **Unplanned expenditure**: Emergency relief often diverts funds from planned development budgets.
- **Rising recovery costs**: Post-disaster rebuilding absorbs significant portions of public finance.
- **Insurance and risk financing gaps**: Many countries lack robust disaster risk financing mechanisms.
- **Fiscal sustainability challenges**: Recurrent disasters undermine debt stability and long-term investment planning.

Integrating Disaster Risk Reduction (DRR) into Governance Frameworks

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- **Mainstreaming DRR in policy**: Embedding risk assessments into public investment decisions.
- **Resilient infrastructure planning**: Climate-proofing schools, hospitals, transport, and water systems.
- **Transparent budgeting**: Allocating clear budget lines for disaster preparedness and climate adaptation.
- **Cross-sector coordination**: Chief Financial Officer working with environment, housing, and emergency services.

The Role of Local Government in Building Resilience

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- **First responders**: Municipalities are closest to communities, often the first line in disaster response.
- **Community-driven preparedness**: Building local awareness, early warning networks, and volunteer systems.
- **Decentralized finance**: Equipping local governments with resources and decision-making power for rapid response.
- **Public–private partnerships**: Leveraging local businesses in logistics, supply chains, and innovation.

Strengthening Institutional Capacity & Service Delivery

- **Capacity building**: Training for public officials in financial risk management and disaster response.
- **Digital transformation**: Smart technologies for forecasting, monitoring, and coordinating relief.
- **Flexible financial instruments**: Contingency funds, catastrophe bonds, and climate insurance pools.
- **Accountability & transparency**: Ensuring resources reach vulnerable communities efficiently.
- **Adaptive service delivery**: Health, education, and emergency services designed for continuity during crises.

Key Takeaways for Public Finance Leaders

- Disasters are not “exceptions” but recurring budget realities.
- Proactive investment in resilience is fiscally smarter than reactive spending on recovery.
- Local governments are essential actors in implementing disaster financing and preparedness.
- Strengthened institutions, flexible financing, and community engagement ensure both financial stability and human security.

THANK YOU