

EVALUATION OF HMG'S RESPONSE TO THE MONSERRAT VOLCANIC EMERGENCY

This study assesses HMG's response to the volcanic emergency in Montserrat in the period from July 1995 to November 1998. It reports on the considerable achievement of the people of Montserrat in coping with the eruption and its consequences; and on a qualified success for HMG in protecting lives and supporting the Montserrat community.

MAIN FINDINGS

The disaster response by HMG has been a success in comparison with many other recent natural disasters elsewhere in the developing world.

- There were only 19 confirmed fatalities directly attributable to the eruption and hardly any measurable increase in communicable disease and physical ill health.
- Throughout the emergency, involving four major evacuations at little notice, everyone has had a roof over their head, no one has gone hungry, there have been no reported cases of child malnutrition, and social order has been maintained.
- Planning for recovery and reconstruction has gone forward under a Sustainable Development Plan and Country Policy Plan combined with a commitment of £75 million for 1998-2001.
- Scientific monitoring was rapidly enhanced and sustained effectively.

Less satisfactory aspects of the response and its consequences include:

- Relocation, necessitated by the eruption, obliged most people either to leave the island or accept difficult, crowded living conditions. Even in late 1998, around 400 people or 10% of residents were still living in public shelters.
- The majority of the on-island population is at least partially dependent on social assistance. During the period studied, this was not targeted on the basis of need².
- Several of the urgent actions agreed by September 1997 fell substantially behind schedule and/or over budget¹.
- Insufficient priority was given to minimising the economic and financial impacts of the eruption.

¹The 255 directly built houses, the temporary Government Headquarters, and the upgrading of the hospital all fell behind schedule and over budget. The Soft Mortgage Scheme to support private housing had not been started at the time of writing.

²A means-tested benefit scheme was introduced in February 2000.

BACKGROUND

The volcanic eruption which has devastated the Caribbean island of Montserrat, a British Overseas Territory (OT), began on 18 July 1995. By 26 December 1997, when the most extreme explosive event occurred, approximately 90% of the resident population of over 10,000 had had to relocate at least once and over two-thirds had left the island. Virtually all the island's important infrastructure was destroyed or put out of use. The private sector collapsed and the economy became largely dependent, directly or indirectly, on British aid funding public sector and related activities. The total capital loss is unofficially estimated as up to £1 billion, mostly only partially recoverable or uninsured. Much of this relates to residential real estate. In November 1999, after 18 months of apparent quiescence, there was another upsurge in volcanic activity that is still continuing. This underlines the need for careful monitoring, risk management and the difficulties of planning rehabilitation.

Up to March 1998, the Department for International Development (DFID) spent £59m. in emergency-related aid and committed an additional £75m. up to 2001³. Projected expenditure by Her Majesty's Government (HMG) will be at least £160m. over six years, taking into account additional expenditure in the UK on relocating Montserratians.

The Montserrat emergency has had some distinctive aspects

- Standards (e.g. of living, health care and education) were higher than those typical of a developing country.
- There has been exceptional uncertainty throughout about the progress of the still continuing eruption.
- On-island solutions to volcanic hazards are seriously constrained by the island's small size and the highly vulnerable locations of most of its infrastructure.
- HMG has become progressively more involved directly in the management of the emergency.
- Montserrat has been self-governing since 1961. Ministers and the Legislative Council have sought to find on-island solutions to the effects of the eruption and preferred to avoid steps that would jeopardise a rapid return to pre-eruption normal life, so long as that was even a remote possibility.

³ See the *Montserrat Country Policy Plan* published by DFID in March 2000 for a brief review of recent developments and details of the wide range of programmes which build on experience gained during the emergency.

- As an OT, Montserrat has had to rely on HMG for virtually all emergency funding and assistance for rehabilitation, including budgetary aid.

Management of risk

There was apparently no contingency planning on how the Foreign and Commonwealth Office (FCO) and the then Overseas Development Administration (ODA)⁴ would manage an emergency in an OT and *ad hoc* arrangements had to be put in hand reactively as the eruption progressed. This raised difficult issues of governance and risk management as well as the practicalities of emergency management. The risk assessment of volcanic hazard for Montserrat made in 1987, and precursory seismic indicators, were overlooked and the eruption was not predicted.

Nevertheless, HMG's response to the initial crisis from July to September 1995 was prompt and appropriate to the highly uncertain situation. The response was least impressive from September 1995 up to the events of June 25 1997 when 19 people died. Careful examination of the risk management strategy followed by HMG and the Government of Montserrat (GoM) suggests that there was an element of 'good fortune'. The GoM and many within HMG accepted a 'wait and see' approach which limited resource commitments, including staff for managing the emergency. Very basic health, shelter and social assistance were provided. Infrastructure (jetty, roads, water and electricity) was slowly funded to permit part of the population to live temporarily in the north. But housing needs were not effectively addressed and no assistance was provided to those leaving the island. During the volcanic crisis from July to September 1997, after initial indecision and disagreement between HMG and the GoM, a crisis package was agreed. This included actions to support continued occupation in the north and also for subsequent reconstruction. There were also significant improvements in management and the use of scientific advice. The balance of HMG's efforts shifted in 1997-98 from crisis management to rehabilitation.

⁴The former Overseas Development Administration was succeeded by the Department for International Development (DFID) in May 1997.

CONCLUSIONS

Resources: DFID's policy is that meeting the reasonable assistance needs of the OTs is a first call on its development programme; however, the absence of a clear budgetary ceiling prior to June 1998 or jointly accepted standards on what was appropriate resulted in negotiation and delay.

Use of scientific information: Procedures in place in 1995 were not adequate to ensure that the increasing volcanic risk would be anticipated and then effectively monitored. HMG progressively secured the best scientific advice and supported the development of the Montserrat Volcano Observatory. Since August-September 1997, access to expert advice has been organised through periodic joint assessments to provide a clearer and consistent basis for policy making. Public information on the eruption and its implications was initially limited and unsatisfactory, but improved progressively, especially with the direct involvement of scientists.

Effectiveness and efficiency of emergency actions:

- *Appropriateness.* There are sharp three way trade-offs between urgency, specification and costs.
 - *Timeliness.* Emergency aid by DFID was put in place quickly. However, processing of development aid projects, especially up to June 1997, was too slow. Several of the urgent actions agreed by September 1997 fell substantially behind schedule.
 - *Social sectors:* measures taken were effective in minimising threats to life and health. Severe social disruption and economic effects were, however, mitigated to only a limited extent and the impacts of relocation and massive emigration have been severe and traumatic.
 - *Connectedness.* Too often it was not possible to reconcile timely response to urgent emergency needs (HMG's priority) with durability and reusability (GoM's concern with promoting development).
 - *Minimising the economic impact of the eruption* was accorded insufficient priority. To complement short term actions and preparations to prevent loss of life, specific measures were needed to limit damage to the private sector and to assisting its recovery and for protecting financial institutions.
- The response on *financial regulation* (to address the effects of the loss of insurance cover, the knock-on insolvency of the Montserrat Building Society and the position of the Bank of Montserrat) has been characterised by extreme caution because of contingent liability. This has had a detrimental impact on the island's short-to-medium-term economic prospects.
 - *Cost-effectiveness.* Most infrastructure investment has been necessary and cost-effective. The temporary Government Headquarters has been poor value for money, due to delays and cost overruns. Overall, construction and adaptation using local materials, know-how and labour have been more cost-effective than solutions based on the importation and assembly of pre-fabricated structures. Cost minimisation was in some instances over-done (as in the sourcing of tents in 1995). Emergency logistics and then sea and air links since June 1997 were cost-effective.
 - *Coherence (co-ordination).* Many of the delays, omissions and shortcomings in HMG's response are linked to the complexity of HMG management and the administrative system for Montserrat as a self-governing OT. Up to mid-1997, there was poor internal communication, separating information from points of decision, and a lack of clarity about the point of final responsibility for action. The changes made since September 1997 have considerably simplified management arrangements within FCO and DFID. Early on, the co-ordination of HMG's response was weak. The establishment of the inter-departmental Montserrat Action Group in August 1997, ultimately chaired at Ministerial level and with Cabinet Office monitoring, reduced but did not prevent substantial delays in implementation.

KEY LESSONS

Responding to emergencies. The following measures could improve HMG's response to major emergencies:

- A proactive strategy for 'capping' new or escalating emergency problems.
- A task force approach involving a temporary crisis management team, a senior task force leader with considerable delegation of authority and reporting to the highest level, and an inter-departmental Emergency Room.
- Fast-tracking emergency responses/investment to meet short-term (i.e. up to 3 year) requirements, which should be considered separately from longer-term development needs and temporarily given priority.
- Placing a multi-disciplinary team in-country or in-region with sufficient delegated authority.
- Disaster preparedness plans including contingency plans will also facilitate fast-tracking.

Partnership in Montserrat and the other Overseas Territories

- could be promoted through:
- Clarification of appropriate standards of infrastructure and social provision to which the "reasonable claims" of the OTs on British aid are to relate, especially in an emergency.
 - Facilitating post-disaster reconstruction through a coherent consultative institutional framework for development. This should include land use planning and development and participation of the private sector and elected government with - in the case of OTs - HMG as the primary funder.
 - Disaster preparedness: all the disaster-prone islands in the Caribbean region and the OTs elsewhere require periodic up-to-date natural hazard assessment with associated scientific studies. A mechanism is also needed to ensure that FCO and DFID are kept informed of scientific developments on natural hazards.
 - Volcanic-seismic monitoring and the provision of scientific advice: requiring a Montserrat observatory with appropriate facilities for a wide range of functions, the commitment of sufficient staffing and long-term UK financial support.

.....

This evaluation study was undertaken by an independent team led by Dr Edward Clay of the Overseas Development Institute, London. The views expressed in the study are those of the evaluation team and do not necessarily represent the views of HMG. For further information see "HMG's Response to the Montserrat Volcanic Emergency" (Evaluation Report EV635) obtainable from Evaluation Department, Department for International Development, 94 Victoria Street, London, SW1E 5JL, telephone 020 7917 0243. This report will also be accessible via the Internet in due course.

.....

The Department for International Development (DFID) is the British government department responsible for promoting development and the reduction of poverty. The government elected in May 1997 increased its commitment to development by strengthening the department and increasing its budget.

The policy of the government was set out in the White Paper on International Development, published in November 1997. The central focus of the policy is a commitment to the internationally agreed target to halve the proportion of people living in extreme poverty by 2015, together with the associated targets including basic health care provision and universal access to primary education by the same date.

DFID seeks to work in partnership with governments which are committed to the international targets, and seeks to work with business, civil society, and the research community to encourage progress which will help reduce poverty. We also work with multilateral institutions including the World Bank, United Nations agencies and the European Commission. The bulk of our assistance is concentrated on the poorest countries in Asia and sub-Saharan Africa.

We are also contributing to poverty elimination and sustainable development in middle income countries, and helping the transition countries in Central and Eastern Europe to try to ensure that the widest number of people benefit from the process of change.

As well as its headquarters in London and East Kilbride, DFID has offices in New Delhi, Bangkok, Nairobi, Dar-es-Salaam, Kampala, Harare, Pretoria, Dhaka, Kathmandu, Suva and Bridgetown. In other parts of the world, DFID works through staff based in British embassies and high commissions.

DFID
94 Victoria Street
London
SW1E 5JL
UK

DFID
Abercrombie House
Eglesham Road
East Kilbride
Glasgow G75 8EA
UK

Switchboard: 020 7917 7000 Fax: 0207 7917 0019
Website: www.dfid.gov.uk
email: enquiry@dfid.gov.uk
Public Enquiry Point: 0845 3004100
From overseas: +44 1355 84 3132

ISBN: 1 86192 291 4 (volume 1)
1 86192 203 5 (volume 2)