

Utilizing remittances to build household level flood preparedness through financial literacy and inclusion

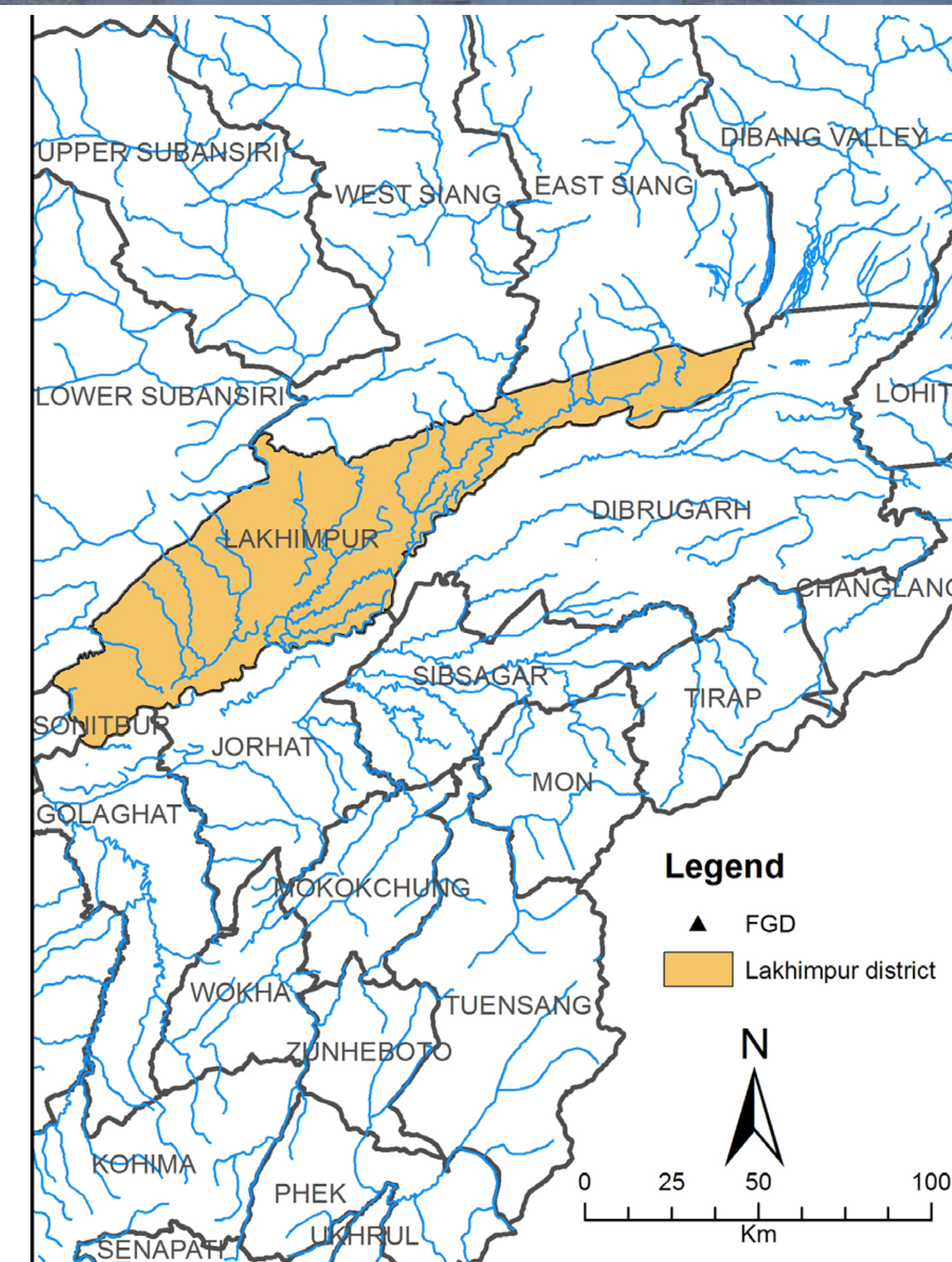
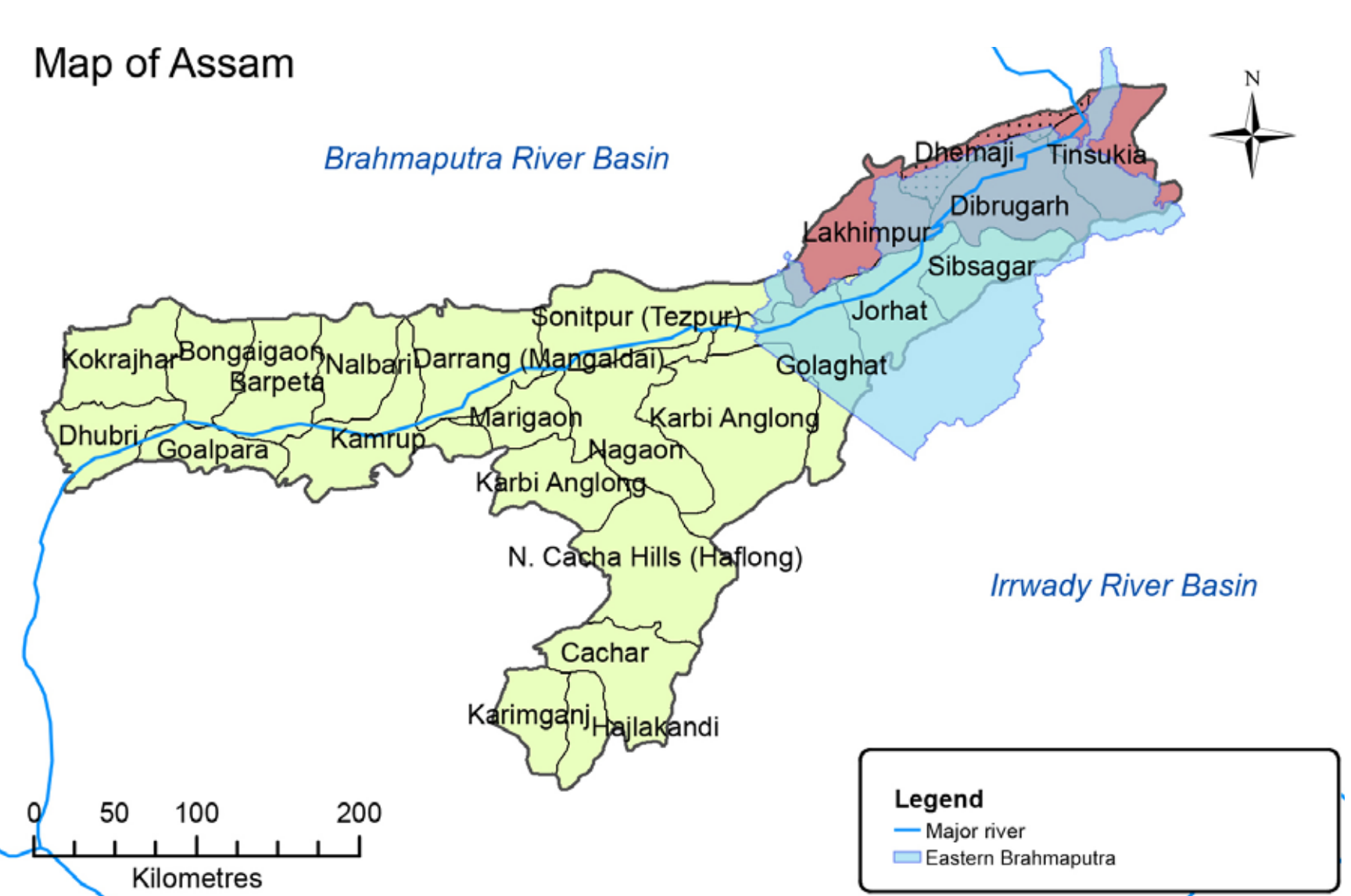


What is adaptive capacity?

It is the combination of the strengths, quality, and resources available to an individual, community, society, or organisation that can be used to prepare for and undertake actions to reduce adverse impacts, moderate harm, or exploit beneficial opportunities.

What is disaster risk reduction?

Disaster risk reduction is the action taken to identify, assess and minimise the adverse impacts of disasters and natural hazards. These systematic efforts reduce social and economic vulnerability and improve preparedness for future adverse events.



What is remittance?

Remittance is broadly defined as a personal monetary transfer that a migrant worker makes to relatives in their community of origin.

Role of remittances in DRR

- Used to procure provisions during lean periods
- Used in reconstruction and recovery
- Contribute to income, sectoral, and locational diversification of livelihoods

Challenges in utilizing remittances for preparedness

- Low volume of remittances
- Uncertainty about benefits
- Partial understanding of environmental impacts
- Lack of planning, financial literacy, and access to technical assistance



Remittance

- Destination**
Major destinations of migrant workers are located in Assam, Arunachal Pradesh, Kerala, Karnataka, and Tamil Nadu.
- Occupation**
Migrant workers are wage employees in manufacturing, construction, and service sectors.
- Remittance**
Remittance is spent on food, healthcare, consumer goods, housing, and education.



Financial literacy and inclusion

- Awareness raising** (training and weekly group meetings)
- Better manage income and expenditure** (monthly household budget)
- Savings** (coin box and Jan Dhan bank account) and savings plan
- Insurance**

Item	Post-intervention status (January-April 2015)
Number of households that are preparing are the monthly household budget	240 households
Number of women who have a savings bank account	240 women (earlier, 41 women had postal savings account)
Number of bank transactions (January-April 2015)	3-4 transactions per household
Total remittances received by 240 households (January-April 2015)	INR 5,61,000.00
Total savings by 240 households (January-April 2015)	INR 2,16,000.00
Average household savings for January-April 2015	INR 900.00 (approx.)
Number of households that have an emergency go-bag	Around 170 households
Number of households that have invested in low cost water purification	240 households



Flood preparedness

- Awareness raising** (training and weekly group meetings)
- Emergency survival bag** (go-bag)
- Safe drinking water** (water purification)
- Flood preparedness plan**