







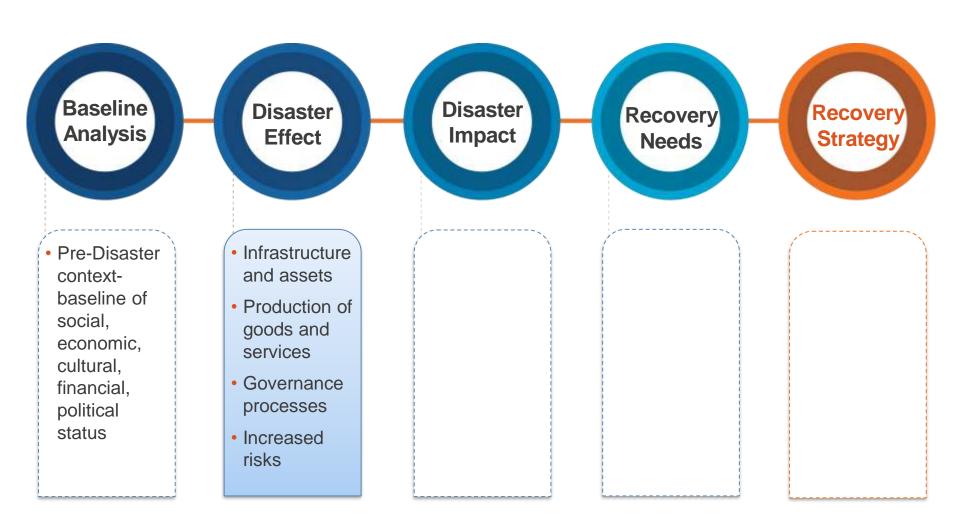


### **Objectives**

 Highlight the significance of inter-sectoral linkages in the PDNA

Illustrate inter-sectoral linkages in the PDNA

## **The PDNA Process**



### What are inter-sectoral linkages?

# The effects (damages and losses) in one sector may affect other sectors which in turn:

- affect the bigger economy and social conditions of the people; and
- could go beyond geographic boundaries.

### **Types of Inter-linkages**



Direct sectoral linkages:

Backward and forward linkages between productive sectors

Intermediary sectors:

e.g.

Transportation, distribution and logistics (efficiency and effectiveness)

Transactions costs:

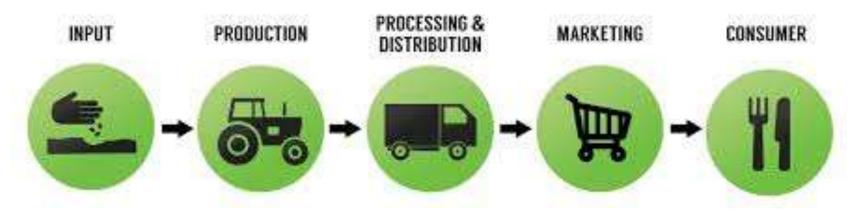
Higher cost of doing business

Financial constraints and capacity constraints:

Diminished capacity to pay or to lend

### **Example of inter-sectoral linkages**

Imagine a classical agricultural value chain e.g. tomatoes...



... due to a disaster, roads are blocked for several weeks – what kind of intersectoral linkages are likely to take place?

- Input suppliers cannot provide products/service to farmers
- Tomato production might decrease even if farmers have not directly been affected
- Distributors cannot off take agricultural produce and processors lack supplies to produce e.g. tomato sauce
- Less tomato-based products are available in local stores, due to scarcity prices might increase
- Households, hotel and restaurants consume less tomato based products
- → Change in economic flows along the value chain and across sectors i.e. agriculture, transport and services, even if not directly affected

### Key takeaways

- Inter-sectoral linkages provide a better understanding of the disaster effects and impact across sectors
- Regular communication and information sharing between sector specialists is crucial to identify inter-sectoral linkages

