



USAID
DEL PUEBLO DE LOS ESTADOS
UNIDOS DE AMÉRICA



UNISDR

Oficina de las Naciones Unidas para la Reducción
del Riesgo de Desastres



Sistema Económico
Latinoamericano y del Caribe

Latin American and Caribbean
Economic System

Sistema Econômico
Latino-Americano e do Caribe

Système Economique
Latinoaméricain et Caribéen



Conclusions and Recommendations

Economic and Technical Cooperation

II Regional Seminar "Partnership between public and private sectors for disaster risk reduction: Continuity of government and continuity of business operations during disasters in Latin America and the Caribbean"
Cartagena de Indias, Colombia
01 and 02 August 2013
SP/II-SRASPPGRD/CR-13

Copyright © SELA, August 2013. All rights reserved.
Printed in the Permanent Secretariat of SELA, Caracas, Venezuela.

The Press and Publications Department of the Permanent Secretariat of SELA must authorize reproduction of this document, whether totally or partially, through difusion@sela.org. The Member States and their government institutions may reproduce this document without prior authorization, provided that the source is mentioned and the Secretariat is aware of said reproduction.

**II REGIONAL SEMINAR “PARTNERSHIP BETWEEN PUBLIC AND PRIVATE SECTORS
FOR DISASTER RISK REDUCTION: CONTINUITY OF GOVERNMENT
AND CONTINUITY OF BUSINESS OPERATIONS DURING DISASTERS IN LATIN AMERICA
AND THE CARIBBEAN”**

CONCLUSIONS AND RECOMMENDATIONS

In a disaster scenario in Latin American and Caribbean countries, public or private companies responsible for providing services to the population can be affected. It is the population's expectation and the responsibility of governments to be prepared to face adverse scenarios and to ensure the stability and continuity of operations of public institutions and society.

Within the framework of the II Regional Seminar “Partnership between public and private sectors for disaster risk reduction: Continuity of government and continuity of business operations during disasters in Latin America and the Caribbean”, participants dealt with issues of importance for the region to promote, generate and strengthen an exchange of experiences between governments and the private sector in disaster risk management, continuity of government and continuity of business operations during disasters; and to develop draft recommendations for the inclusion of disaster risk management in programmes for continuity of government and continuity of business operations of the private sector in Latin America and the Caribbean.

CONCLUSIONS:

As a result of an intensive exchange of experiences, the following conclusions were reached:

1. Latin America and the Caribbean is a region where disasters have had an increasingly greater impact. This is due to the growth of the region and a failure to consider the natural hazards that may lead to disasters. In view of this situation, it is necessary for both the public and private sectors to work together towards the establishment of mechanisms that will help mitigate impacts and reduce disaster risks in the region.
2. Although the responsibility of mitigating the negative impact of disasters appears to be limited to the public sector, the Global Assessment Report on Disaster Risk Reduction 2013 (GAR) shows that much of the impact occurs in the private sector. This gives rise to the need for us to witness first-hand the private sector's work in the region. It should be noted that the analysis of the economic impact of disasters on the informal sector is just beginning.
3. Reducing disaster risk can be a preventive measure, which may be materialized by incorporating disaster risks in investment, land use and general development planning processes; by building up capabilities for protecting the environment where the population, the government or the private companies develop; and by improving the planning and the response capability during an event or incident that affects the population, public institutions and private companies.
4. While the public sector should ensure safe environments for continuity of operations, the private sector should invest and support disaster reduction efforts instead of becoming a source of risk by failing to consider this issue in its agenda.

2

5. The public-private partnership for prevention is possible through the collaboration of both the public and private sectors in improving mechanisms for the identification of risks in the population and the creation of more resilient communities. However, it is necessary to include disaster risk factors in the private sector decision-making on investment. The private sector has also promoted collaborative initiatives on disaster risk management among its members.
6. Noteworthy is the fact that insurance penetration for disaster risks, at both the public and private sectors, is low. The most innovative example is provided by Mexico with the FONDEM and Peru with the agricultural insurance.
7. In the context of crisis and major emergency scenarios and with the objective to ensure safe and institutional environments, efforts are being made to establish continuity strategies, broken down into three identified levels. The first one is **Continuity of Operations (COOP)**, a planning process designed to ensure the work of public and private institutions in society is not interrupted during a crisis. The Continuity of Operations is the effort each institution makes to guarantee the operation of its basic functions in the midst of a crisis. The COOP should involve both the public and private sectors. The Continuity of Operations is a multi-institutional, proven and pre-arranged instrument designed to ensure the **Continuity of Government (COG)**, which is the second conceptual level. At this level, the scheduled continuity helps ensure the legitimacy of the existing government, protect the general interest of society, defend the legitimately established government, and enforce the constitutional and political order. Thus, the Continuity of Operations and the Continuity of Government result in basic operation and institutional coordination conditions leading to the third conceptual level, which is the **Continuity of Development (COD)**. At this level, the priority is to mitigate the impact of disasters on the productive apparatus so as to prevent its financial bankruptcy, preserve jobs and productive activities, and ensure the functioning of the economy.
8. The COOP, the COG and the COD require a high level of institutional commitment, political will and social responsibility, which can be achieved if the public, private and social sectors recognize that, although it is difficult to prevent things from happening, we can prepare ourselves to ensure the minimum negative impact of events.
9. Horizontal and vertical cooperation among government institutions and the private and social sectors is fundamental in the planning process, in order to guarantee and protect the economic stability of the country and to provide a high level of integrated security to the population.
10. It is necessary to promote the development of plans for Continuity of Operations and Continuity of Government in Latin America and the Caribbean in the following areas:
 - **Political area:** Heads of State and Government should assume – with a strong political will – that the Continuity of Operations, Continuity of Government and Continuity of Development are a responsibility of State.
 - **Regulatory area:** Incentives, regulations and rules should be established through effective national or regional procedures and mechanisms and with sufficient authority to promote the COOP and the COG in the countries of the region. Standards, methodological guides, best practices and recommendations should

be created or adopted for COOP plans to be developed in both the public and private sectors. The scope of the professional practice should be established and regulated.

- **Economic and administrative area:** Awareness and training of government officials and business leaders should be strengthened. A combination of fiscally sustainable economic incentives should be used to encourage the private sector to work on its COOP plans.
12. The importance of this COOP, COG and COD strategy lies in its holistic, integral and global approach, which under the forward-looking concept may identify risks and consequences and create mitigation, responsiveness and risk transfer schemes, in order to protect society and its institutions.
 13. In the context of public-private partnerships, different areas of action are identified:
 - Business, through the management of risks related to this field and the integration of local communities and authorities.
 - Unions, through associations and mutual aid committees.
 - Humanitarian aid, through recovery mechanisms.
 - Institutions, as a member of national civil protection and risk management systems.
 14. Among incidents affecting the private sector are those related to the continuity of business (and operations), which results in a reaction on five fronts: First response incidents in emergency situations to protect the organization's staff and assets; incidents affecting the image; incidents affecting information technology; incidents affecting business processes and activities; and incidents affecting the corporate governance.
 15. In their efforts to ensure continuity of business and operations, organizations should take into account guidelines of best practices and international standards on the subject: BCI, DRII, ISO 22301, NFPA 1600 and ASIS SPC 1. Many organizations in our region continue to apply concepts according to their knowledge and experience, which limits the continuity of business and operations and delays the appropriate methodological implementation, putting their own organizations at risk.
 16. The written paper does not guarantee the continuity of operations of an organization during an incident. That is why practice is necessary. Incident drills and exercises will provide participants and the organization with skills, experience and confidence to implement plans during an incident. Exercises must be increasingly complex to ensure the continuous improvement in preparedness efforts.
 17. The public sector is not the only focus in the design of policies or contingency plans. The private sector has provided invaluable support to situations of this nature. For this reason, public-private partnerships for disaster risk reduction are considered the core of international cooperation policies.

RECOMMENDATIONS:

The participation of both the public and private sectors in this regional seminar was undoubtedly important, and their contribution enhances disaster risk management (DRM) policies and continuity strategies in the region. Among recommendations arising from discussions are the following:

4

1. Consider the importance of public-private partnerships in the context of disaster risk management (DRM), identifying clear areas of responsibility and fields of action of each stakeholder. To that end, it is necessary to carry out a preparatory work in order to build up the necessary capabilities for disaster risk prevention and impact mitigation.
2. Public-private partnerships should result in greater resilience in all conditions in Latin America and the Caribbean. In addition, it is necessary to incorporate the community into these efforts, since everything that affects the community affects the private sector and undoubtedly the State.
3. Strengthen the institutionalization of disaster risk reduction (DRR) policies, their development and implementation, through public-private partnerships.
4. Emphasis was made on the importance of strengthening policies and regulations on DRR through the regulatory framework and the transfer of knowledge, incorporating this subject into education systems in the region.
5. Participants also stressed the importance of considering risk transfer policies as a tool of the integrated risk management.
6. Public-private partnerships are defined according to the nature and environment where stakeholders operate and develop. To consolidate these partnerships, it is necessary to move from theory to practice by coordinating them as a technical, operational, political and administrative system.
7. It is not enough for the State to require compliance. It is necessary to promote public-private partnerships in social responsibility as a best practice that should be part of the corporate culture.
8. Within the framework of public-private partnerships, the institutional framework should be prioritized above handouts. The strengthening of local institutions creates a culture of trust among stakeholders in the promotion of joint projects, characterized by their transfer policy towards society.
9. It is necessary for the private sector to join efforts, so that a business vision is proposed from and for the Americas.
10. Strengthen the Regional Seminar "Partnership between public and private sectors for disaster risk reduction: Continuity of government and continuity of business operations during disasters" as a forum for discussion, aimed at formalizing the commitment to work on DRR-related issues and defining a common agenda based on the exchange of best practices.
11. Provide tools for integrating DRR in the management of a company, working in a coordinated manner and generating allies with the public sector and civil society.
12. The private sector should participate in the Regional Platform (Guayaquil 2014), and the declaration of commitment of the Private Sector Partnership (PSP Americas) should be shared.
13. Emphasis was made on the importance for the private sector from each Latin American and Caribbean State to develop strategies for promotion, coordination,

monitoring and control of public-private partnerships, at national, departmental and local levels.

14. During the Seminar, the “Chapter for Latin America and the Caribbean of the private sector partnership for disaster risk reduction” was established with the participation of several private companies, as well as some business associations committed to this issue. This private sector partnership is part of the initiative being promoted by the United Nations International Strategy for Disaster Reduction (UN/ISDR) at the global level.
15. Finally, we certainly agree that the success of public-private partnerships and society in implementing the integrated risk management, in taking actions for DRR and in meeting the objective to ensure the operational continuity of institutions and continuity of development lies in the pooling of efforts, in the sum of all those big and small efforts we, each of us, make every day.
16. Delegations and participants request that this forum remains a permanent space for discussion on the topic and hope for the conduction of the III Regional Seminar “Partnership between public and private sectors for disaster risk reduction: Continuity of government and continuity of business operations during disasters.”
17. Delegations and participants thanked the Government of Colombia, through the National Unit for Disaster Risk Management (UNGRD), the Colombian Safety Council (CCS), the Integral Responsibility Group of Colombia (RIC) and the National Business Association of Colombia (ANDI), as well as the Permanent Secretariat of the Latin American and Caribbean Economic System (SELA), the United Nations International Strategy for Disaster Reduction, Regional Office - the Americas (UN/ISDR) and the United States Office of Foreign Disaster Assistance (USAID/OFDA) for the organization and support provided for the implementation of this Regional Seminar.