A vertical strip of images on the left side of the slide. The top image shows a damaged building with a clock tower. The bottom image shows rescue workers in blue uniforms and hard hats working in a disaster zone.

# **SESSION I: INTERNATIONAL AND REGIONAL INITIATIVES FOR COOPERATION BETWEEN GOVERNMENTS AND THE PRIVATE SECTOR, FOR DRR IN LATIN AMERICA AND THE CARIBBEAN**

**An Update of the United Nations International  
Strategy for Disaster Reduction  
Private Sector Advisory Group**

## Margareta Wahlstrom, UN Special Representative of the Secretary General for Disaster Risk Reduction states:

- *“The biggest question facing us is how to influence behavioral change. Who do we need to convince? How do we do it? **The private sector is the perfect advocate for resilient thinking because of its direct relationship with customers, suppliers and everyone in between. A private sector committed to disaster risk reduction can steer public demand towards materials, systems and technological solutions to build and run resilient communities”***

## Aris Papadopoulos, Chair, UNISDR Private Sector Advisory Group and CEO, Titan America states:

- *“The UNISDR Private Sector Advisory Group aims to serve as a catalyst to bring together a wide range of private sector entities into a global partnership for action that will encompass private businesses, both large and small, multiregional and local, business trade organizations, as well as government-owned business enterprises. If what we’re beginning creates a million lights of resilience, we’ll have all come closer to achieving our common purpose.”*



# Private Sector Advisory Group Members – 2011

- AECOM Technology
- Cisco
- Credit Suisse
- Deloitte
- DuPont
- IBM
- International Finance Corporation (IFC)
- Kokusai Kogyo
- Munich Re
- Small Equity Initiative
- Titan America
- United Nations Foundation
- Willis Re.



# Why now?

- The frequency and magnitude of natural disasters is increasing...the 10-year average of economic losses since 2000 totaled \$110B...deaths since 1970 total 3.3M people or 82,500 people per year!
- Population growth and population density in major urban centers add to the severity of the disaster events
- Cost of Irene is tentatively at up to \$7bn (£4.26bn) billion nationally, with insured losses of between \$3bn and \$4bn Kinetic Analysis Corp (The Independent)
- In 2010, disasters cost exceeded \$130B and more than 250,000 people died; In 2011, the total will exceed \$200B:
  - Rio de Janeiro landslides
  - Australia Floods
  - New Zealand Earthquake
  - Japan Earthquake & Tsunami



Net movement of people and economic activities to areas prone to floods and tropical cyclones (1970-2010):

Global population increase: 87%

Proportion of people living on cyclone-exposed coastlines: 192%

Increase of global GDP exposed to tropical cyclones: from US\$525.7 billion to US\$1.6 trillion

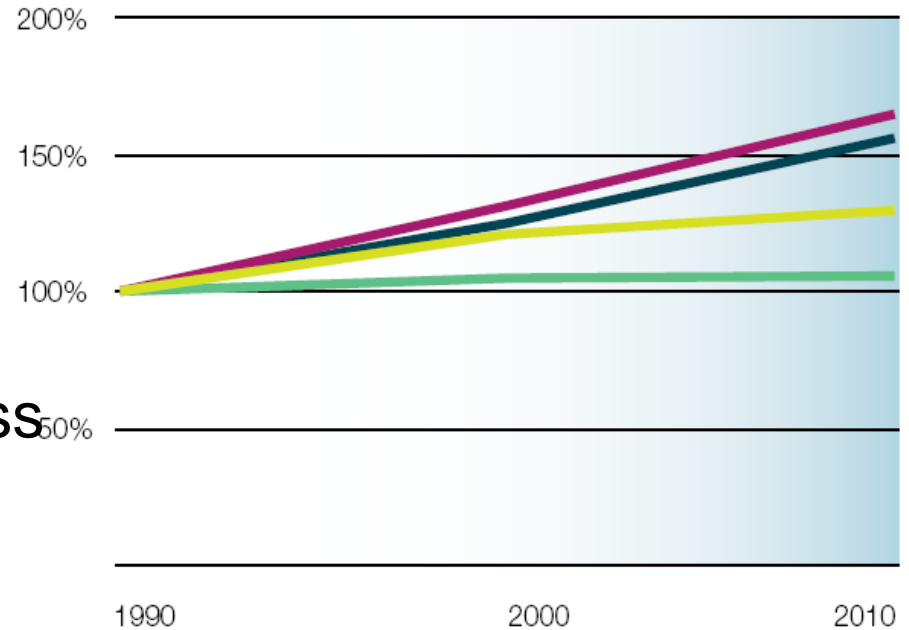
# but economic loss risk is on the rise

High income countries:

Economic loss risk to floods is rising faster than GDP per capita

Increase in economic loss risk to cyclones: 265%

Percent change (OECD countries)



Flood economic loss risk

█ Exposure     
 █ Risk     
 █ Vulnerability     
 █ GDP per capita

w.unisdr.org

# Private Sector Involvement

- Private Sector Participation ‘essential’ to:
  - Ensure safety of long term investments
  - Plan ahead to protect industry & society from disasters, economic disruptions while ensuring business continuity
  - Invest more in human-, technical- and financial-resources to build the resilience of communities and nations
  - Join communities, local & national governments and international organizations in saving lives & livelihoods through core business arrangements, philanthropy and corporate social responsibility.



# Private Sector Partnership Role

- Advise the UNISDR with practical expertise
- Complement the UN's DRR efforts with new ideas
- Assist the UNISDR's efforts of capacity building in disaster prone areas
- Review & counsel on UNISDR strategic publications such as Global Assessment Report
- Support UNISDR to secure necessary funds from private sector for future projects

# Private Sector Advisory Group “Statement of Commitment”

1. **“We acknowledge the threat posed by disasters and the importance of building resilience and recognize our role and responsibility in encouraging, supporting and acting on the reduction of disaster risks. We commit voluntarily and to the best of our abilities to create awareness within and outside of our of activity and influence, invest in functional resilience and apply risk reduction and management principles in our decisions within our business and to the extent possible in our sectors, supply chains, client bases, and global networks. We commit to make disaster risk reduction and resilience building an integral part of our sustainable development strategy, goals and programs.”**

# Private Sector Advisory Group “Statement of Commitment”

2. **“We recognize the leading role of the ISDR and the importance of the Hyogo Framework for Action as a guiding reference for global disaster risk reduction”.**
3. **“We commit voluntarily and to the best of our abilities to embrace, support and enact within our spheres of influence and capacities, the Five Essentials for Business In Disaster Risk Reduction, and to partner with the public sector with a focus on local action, taking into account the most vulnerable population groups such as women, children, the elderly and the poor. We acknowledge that at any point in time we may be most active in a subset of the Five Essentials”.**

# Five Essentials for Business in Disaster Risk Reduction

1. Promote and develop public-private partnerships...
2. Leverage sectoral private sector expertise & strengths to advance disaster risk reduction & mitigation activities including enhanced resiliency & response...
3. Foster a collaborative exchange and dissemination of data: share information on assessment, monitoring, prediction, forecasting and early warning purposes...
4. Support national and local risk assessments and socio-economic cost benefit analyses...
5. Support the development and strengthening of national and local laws, regulations, policies and programs that enhance DRR and improve resilience.

# Private Sector Advisory Group “Statement of Commitment”

- Our Goal is to have 1,000 companies sign the Statement of Commitment by May, 2012
- To develop a framework for ‘win-win’ private sector partnerships for resiliency in design and response planning
- To establish design strategy with resilience in mind specific to the setting in form of local codes and requirements
- To promulgate disaster planning and response workshops that lead to effective response actions

## In Summary... Why Now?

- Companies with best practices managing their risks produced earnings that were 40% less volatile (Oxford Metrica):
  - Average property loss is 20X larger for companies with weak risk management practices
  - Average loss per location exceeds \$3M (Vs. 0.6M)
  - Best risk management practices result in losses from natural events that are 7X less costly

## PSAG Organizational Approach

Four Working Committees have been established:

1. Communications chaired by Aris Papadopoulos
  - Commitment Statement sign up: 1,000 signatories goal by 5/2012
    - First 100 – “Founding Partners”
    - Next 900 – “Charter Partners”
    - “Supporting Partner” – Participants but not signatories
    - “Allies” – NGO’s and other entities
  - Website & database establishment / support
  - Communication Tools
  - Press & Public Awareness
  - Planning for Global Platform in 2013

## PSAG Organizational Approach

### 2. Metrics chaired by Rowan Douglas, Willis Re/Willis Research Network

- Collate relevant data on natural catastrophes and extreme events from the various aforementioned groups order to forward DRR efforts and solutions
- Support the Global Assessment Report 2013, which is developing and piloting a probabilistic model for agricultural drought risk, in order to identify and quantify the different risk and vulnerability drivers. And Support the Global Risk Model (Flood Risk)



## PSAG Organizational Approach

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- A vertical strip of three images on the left side of the slide. The top image shows a damaged brick building with a clock tower. The middle image shows a modern building under construction with a crane. The bottom image shows a person in a blue uniform standing in front of a large, curved structure, possibly a tunnel or a large pipe.
3. Partnerships chaired by Sandra Wu, Kokusai Kogyo Holdings
    - Create Value Proposition for public / private partnership to address needs of UNISDR
    - Initiate Speaking Commitments to interested organizations
    - Expand communications with diplomatic missions
  4. Corporate Support chaired by Dale Sands, AECOM Technology
    - Build membership involvement & participation
    - Support other three working committees with membership

## In Summary... Why Now?

- Design strategy must consider resiliency specific to the local setting. (The earthquake in Haiti compared to the earthquake in Chile)
- Planning and emergency response, when conducted under different scenarios, will save lives, reduce capital asset losses and reduce suffering
- And most importantly, because we **know** we can make a difference!

# DRR-PSP?

- UNISDR Global Platform
- Making Cities Resilient: "My city is getting ready"
- Engage private sector for data sharing – GAR
- Apply lessons learned from DRR-PSP members to improve cooperation and coordination between the public and private sectors to reduce the risk of energy disasters
- Capacity building of DRR at the community level

# Making Cities Resilient

## My City is Getting Ready

[www.unisdr.org/campaign](http://www.unisdr.org/campaign)



**Sign up today** to make your **city** resilient to disasters

**Campaign topic continues to 2015**

**Making Cities Resilient Campaign**

[www.unisdr.org](http://www.unisdr.org)

# Priorities Identified By Participating Cities – Discussed in forums and workshops

**Examples of what many cities identified as gaps & needs:**

- Improved urban drain systems (Makati, San Francisco of Cebu, Mumbai.....)
- Improved landslide protection and drains in slopes (Rio de Janeiro in favelas, Kabul)
- Improved coastal protection (Bangkok, Saint Louis-Senegal)
- Participatory planning and incentives for earthquake prone housing and reconstruction
- Planning (Chile)



# How To Join

- Be a private business, business trade organization or government-owned business enterprise.
- Sign and submit the ‘Statement of Commitment by the Private Sector for Disaster Prevention, Resilience and Risk Reduction’ (Appendix 1).
- Complete and submit the DRR-PSP Membership Application (Appendix 2).
- Submit on an annual basis a brief summary of successes and progress in DRR activities.
- For the complete DRR-PSP Membership Pack, go to

<http://www.unisdr.org/partners/private-sector>

[http://www.unisdr.org/2011/docs/partners/partners\\_psag\\_drpsp.doc](http://www.unisdr.org/2011/docs/partners/partners_psag_drpsp.doc)

A vertical strip on the left side of the slide contains two images. The top image shows a large, multi-story building that has been severely damaged, with its structure exposed and debris scattered. The bottom image shows several people in blue uniforms, likely emergency responders, working in a disaster-stricken area with damaged infrastructure.

**Thank you for your attention!**

**Sign the Statement of Commitment Today and Join  
Us To Make A Difference in Disaster Risk  
Reduction!**

# Where Should You Send Your Information?

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