Effective management of disaster risk and opportunities

R!SE – November, 2014
Why the R!SE Initiative?

“Economic losses are out of control and can only be reduced in partnership with the private sector”

Ban Ki-moon, United Nations Secretary-General

Disaster impacts (2000-2012) due to natural hazards amount to...

- 1.2 Million killed
- 2.9 Billion affected
- 1 Trillion damage (USD)

... and these figures will continue to grow as natural hazards are increasing in frequency and intensity

- Private and public sectors continue to concentrate investments and development in locations with increased exposure.
- Many countries are facing disasters as the “new normal”.
- The increasing interdependence of the world is such that self-sufficiency is no longer possible.
- Private investment largely determines disaster risk as 75-80% of overall investment is made by the private sector in most economies.
- Emergency response is necessary but cannot be seen as the long term solution.

Source: UNISDR, Global Assessment >Report on Disaster Risk Reduction 2013

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Why doesn’t private sector engage more with public sector disaster risk management (DRM) initiatives?

“The more governments, UN agencies, organizations, businesses and civil society understand risk and vulnerability, the better equipped they will be to mitigate disasters when they strike and save more lives”

Ban Ki-moon, United Nations Secretary-General

The Global Assessment Report 2013 (UNISDR) highlights the business case for disaster risk reduction (DRR)

In 2012, UNISDR and PwC conducted 14 workshops with leading companies* to understand what is needed for private-public collaboration on DRM

The results indicated that there needed to be...

1. “a clear value proposition/ business case for investing in prevention rather than just responding”
2. ways to engage private sector in "tangible, concrete projects and actions"

The ‘wake-up call’ for action:

- Disasters are even costlier than we thought
- Globalized supply chains create new vulnerabilities
- Organizations lose their lifeline when critical infrastructure is hit

The Business case for collaborative DRR:

- Reduce uncertainty and strengthen confidence
- Opens doors to cost savings
- Provides an avenue for value creation

*Companies included: ABB; ARUP; BG; Citi; GE; HCC; HIRCO; Hitachi; IHG; Nestlé; NTT East; Roche; SPCL; Walmart

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www.theriseinitiative.org
What is R!SE?

R!SE is an important and unique global initiative to unlock the power of collaboration between the private and public sector to create risk resilient societies by making investments disaster risk-sensitive. R!SE was launched on the 19 of May 2014 at the UN headquarters in New York by the UN deputy Secretary General.

R!SE is a new alliance between 6 collaborating communities.

Three instruments of change:

1. Make risk information available and accessible to create the case for change and for investing in community resilience.
2. Create the practical tools so that risk information can be applied in our communities.
3. Changing the education of our communities by incorporating DRM information to understand underlying drivers of risk.

The RISE Alliance convenes 6 main categories of stakeholder communities who have the ability and resources to influence the future direction of DRM. The Alliance illustrates that disaster risk management is everybody’s business.

8 Activity Streams of direct relevance to both the private and public sector has been developed to welcome a number of other contributors interested in bringing expertise, knowledge, experience as well as financial resources.
Engage major institutional investors such as sovereign wealth and pension funds to consider disaster risk in their investment portfolios.

Facilitate joint learning in support of the United Nations system’s efforts in building resilience to disasters and climate risks. It will be an opportunity to exchange lessons from practical experience of the public and private sector and access relevant tools and instruments developed in R!SE.

Support the private sector in developing improved disaster risk management capacities.

Support the development of improved risk metrics for business and economic forecasting.

Support the development of voluntary industry standards for disaster risk management.

Support academic institutions, training centers and courses and business associations in improving their curricula on business risk management.

Support local business communities and government departments to increase disaster resilience in their municipalities and cities.

Increase access to optimal and sustainable disaster insurance to the wider global community, particularly in emerging economies.

An Alliance to unlock public/private DRM potential

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Who are the key R!SE Initiative members?

The United Nations Office for Disaster Risk Reduction (UNISDR) and PricewaterhouseCoopers (PwC), join with The Economist Intelligence Unit (EIU), Florida International University (FIU), Principles for Responsible Investment (PRI), AECOM and Willis as well as other companies and institutions to support the R!SE Initiative.

The R!SE Initiative operates under the umbrella of the United Nations, coordinated by the United Nations Office for Disaster Risk Reduction* (UNISDR) and supported by the United Nations Office for Project Services* (UNOPS).

Other organizations, including AXA, Citi, ESI, NTT, Walmart and others have already joined the R!SE Initiative.

*The United Nations Office for Disaster Risk Reduction (UNISDR) coordinates disaster risk reduction across the United Nations system.
*United Nations Office for Project Services (UNOPS) is a central resource for the UN system in procurement and contracts
Where is R!SE going?

Launched May 2014, R!SE will continue through 2020

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**Intergovernmental events**

- **Global Platform for Disaster Risk Reduction, May – Geneva**
- **Launch of the RISE Initiative May – New York**
- **UN Climate Summit Sep – New York**
- **COP 20 Dec – Lima**
- **World Conference on Disaster Risk Reduction Mar – Sendai**
- **COP 21 Dec - Paris**

**RISE Events**

- **Country launches & Project forums:** USA – PF Arkansas (Sep); Brazil – CL Sao Paolo (Dec); Columbia – CL Bogota (Dec); Peru – CL Lima (Dec)

**RISE Activities**

- **2013**
  - Lead up work to RISE
  - Seek funds, in-kind resources, DRM IP and knowledge contributions.
  - Commence the implementation of the 8 Activity Streams
  - Launch the concrete projects to showcase early results at the WCDRR in March 2015
  - Continue gathering a wide range of actors from the 6 communities

- **2014**
  - Present results from initial Activity Stream and project activity at WCDRR
  - Deployment and scaling up of global, collaborative efforts to execute the full program of work required to reach initial RISE objectives by 2020.

- **2015**

- **2020**

**CL = RISE Country launch**

**PF = RISE Project forum on DRM**

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Where is R!SE going?

Initial tranche of R!SE projects on “Road to Sendai” - UN World Conference on Disaster Risk Reduction (WCDRR)

Countries, states, cities, industry sectors, and business schools that will be given focus for pilot activities

Countries
Brazil
France
Germany
Ghana
India
Indonesia
Jamaica
Japan
Peru
South Africa
The Netherlands
Turkey
UAE

Business Schools
FIU
IE
Kyoto
LKY
OSU
Uchile
York
HEC Paris

States
California
Florida
Louisiana
Queensland
Tohoku

Cities
Amadora
Bandung
Boston
Calgary
Cali
Gold Coast
Istanbul
Iwaki
Jeddah
Manchester
Paris

Industry sectors
Automobile
Banking
Construction / Real Estate
Energy
Retail / Consumer
Telecommunication
Tourism

The countries, states, cities, industry sectors and business schools listed are not exhaustive and R!SE Management is interested in hearing from all potential contributors about new areas and specific projects of interest.
What are the R!SE Initiative objectives?

Overall R!SE vision and objectives are to:
- Create risk-resilient societies
- Make all investments risk-sensitive

Focused on collaboration and tangible action to achieve risk-sensitive investments, R!SE will contribute to building the resilience of local communities and the global economy as a whole.

The aim is to deliver tools, recommendations and good practice to implement comprehensive disaster risk management for investments.

- 1000 Asset owners and investment managers
- 200 (Re-) Insurers
- 100 Global businesses
- 50 Cities
- 50 Public-private sector dialogues
- 10 Industry standards
- 10 MBA programs
- 10 Business training programs
- 8 Activity Streams
- 6 Communities
- 1 Alliance
What are expected benefits of engaging with the R!SE Initiative?

The opportunities for organizations extend beyond the reputational benefits of being associated with this type of transformative initiative. The real benefit is to become part of an ecosystem that is rethinking and redefining actions and outcomes for disaster risk management and disaster risk reduction in our communities.

- **Create new (business) opportunities**
  - Identify new tangible (business) opportunities for DRM and approach vulnerable communities with multiple stakeholders, capabilities and resources.

- **Provide scale to individual projects**
  - Accelerate projects by bundling investments to unlock large opportunities and through leveraging the multiple stakeholder nature of the Initiative.

- **Enhance reputation and brand awareness**
  - R!SE has been endorsed and communicated to 162 States in the context of integrating the risk into the financial system at the Climate Summit in New York in September 2014. R!SE will continue to feature in the intergovernmental negotiations in 2015.

- **Influence governments and vice versa**
  - Be able to participate and actively contribute to the dialogue on the post 2015 agenda on Sustainable Development Goals (SDGs), Hyogo Framework for Action on Disaster Risk Reduction (HFA+) and United Nations Framework Convention on Climate Change (UNFCCC) discussions on climate change

- **Showcase capabilities in a multi-stakeholder platform**
  - Showcase your DRM know how, expertise, technology, projects in a private & public multi-stakeholder platform to a global audience.
How can organizations contribute to R!SE?

There are three ways to contribute to R!SE. R!SE is in a critical phase of its development and requires concrete commitment of resources including financial support in particular. The opportunity ahead is to scale up this collaboration in the same way as other contributors to the R!SE Initiative have done.