

Business and Industry Major Group

Oral Statement for WCDRR Plenary

I represent the Business & Industry Major Group and the UNISDR Private Sector Partnership group also known as the PSP.

We thank the UNISDR for the opportunity to share our ideas and proposals with member states to create a more resilient world. We recognize the urgency to act to reduce the exposure of communities, businesses and countries to disasters. The rapid accumulation of disaster risk threatens the sustainability of economic growth as well as of communities. Neither the public nor private sector can address this alone. Businesses are members of the communities and countries in which we operate, and we are committed to be a strong and reliable partner to governments and other stakeholders at all levels.

More than 300 private sector representatives including many from our group, the PSP, have convened here in Sendai to ensure the reflection of business concerns, expertise and solutions in the post-2015 Framework for Disaster Risk Reduction. Our message is that the private sector has knowledge of risk anticipation, expertise in risk management, innovations and initiative towards disaster risk reduction and resilience. We are increasingly aware of the need for businesses to be resilient themselves. But to reach our goal, we need to work with you, the governments; we call on you to call on us, at the national and local level, as you have invited us into this Conference.

UNISDR's PSP group developed Five Private Sector Visions for a Resilient Future, and we have submitted a commitment to turn the Visions into Action.

Vision 1 focuses on strong Public Private Partnerships that drive disaster risk reduction and resilience at the local and national level. It is based on the rationale that just as there are no resilient businesses without resilient communities, there are no resilient communities without resilient businesses. The private sector and public sector have a shared stake in building disaster resilience and have to work together to plan for, respond to, and recover from disasters. Achieving synergy between

governments, communities and private enterprise will require additional efforts from all sides to build trust and cooperation. We believe that while international platforms are an effective way to share expertise, best practices including examples of empowering legislation, solutions have to be developed and owned nationally. Under this Vision, we commit, for example, to develop a framework for comprehensive community disaster planning that addresses infrastructure asset management and natural vulnerability, and to support the development of a portfolio of incentives that encourage resilient investment.

To support the implementation of Vision 1, a PSP member has entered into a partnership with UNISDR's Making My Cities Resilient Initiative and the Government of the Netherlands, and launched a Marketplace for resilient solutions at the national and local level.

Vision 2 aims at enhancing resilience in the built environment by minimum regulatory standards set by the public sector and voluntary optimal standards adopted by the private sector. The built environment is society's front line of defense against natural hazards. When it fails, all else becomes vulnerable. In order to succeed, enlightened early adopters in both the public and private sector will need to drive change, by working more closely in the future. Proposed actions over the next three years in various parts of the world by a range of private sector entities range from using insurance as a vehicle to share risk information and help develop risk zones, reporting risk exposure and supporting the development of resilience audits. We note that this Vision speaks directly to UNISDR initiatives such as the Safe Schools and Hospitals and will also address critical infrastructure.

Under Vision 3, all financial investment and accounting decisions, public and private, become risk-sensitive. Addressing underlying risk factors through risk-informed and risk-sensitive public and private investments is more cost-effective than primary reliance on post-disaster response and recovery. Both the public and private sectors play a critical role in changing the status quo around the lack of visibility of disaster risk in current investment and accounting activities, and to sensitize relevant entities to this issue. First steps have already been taken when private companies partnered with the UN, academia, private sector associations and the World Economic Forum to

launch the 1-in-100 Initiative, which proposes a mechanism to introduce disaster risks into the financial system.

Vision 4 envisages a resilience-sensitive public and resilience-sensitive business that drive each other towards resilient societies through education, training, effective preparedness and solutions for DRR and resilience. To realize Vision 4, four levels of engagement are key: the companies themselves; associations at the industry or country-level; communities in which companies operate; and the global discussion. PSP has signed a statement of collaboration with the World Economic Forum's Disaster Resource Partnership, the DRP, to reach the wider private sector globally, as well as nationally, through DRP's established networks.

Vision 5 aims to make the identification and disclosure of risks carried, and their proactive management a standard business practice. Determining the types of disaster risks and identifying those that can and should be disclosed is at the center of this set of commitments. We will implement pilot projects testing resilience disclosure; integration and alignment of standards in pilot cities or countries; developing relevant standards and certifications; and reaching SMEs through their supply chains.

In closing, we commend UNISDR on their Global Assessment Report 2015, which addresses the connection between disaster risk reduction, sustainable development, and climate change. The UNISDR Private Sector Partnership and other private sector members of the Business and Industry Major Group hereby announce our willingness to contribute to mutual reinforcement between the three global agendas, and reiterate our intention to support governments with the implementation of the post-2015 Framework for Disaster Risk Reduction by taking action on the above commitments, leading the wider private sector by example, and together build resilient communities and economies.

Thank you very much for your attention.