



### GLOBAL PLATFORM HIGHLIGHTS: WEDNESDAY, 11 MAY 2011

On Wednesday, participants continued meeting in plenary to discuss the economics of disasters, followed by an informal plenary on the implementation of the outcomes of the Mid-term Review of the Hyogo Framework for Action (HFA). A high-level panel on responding to natural disasters took place as part of the World Reconstruction Conference being held during the Global Platform. General statements continued in morning and afternoon sessions as well as roundtables and featured events on public investment, private sector engagement, protecting critical infrastructure, and the economics of effective prevention.



Asha-Rose Migiro, UN Deputy Secretary-General, speaks in the afternoon plenary.

### PLENARY: THE ECONOMICS OF DISASTER - EFFECTIVE FINANCIAL INSTRUMENTS TO REDUCE RISK

Moderated by Raghida Dergham, Al Hayat News Agency, panelists discussed national, local and corporate spending, and the most effective instruments to ensure that investments reduce risk from natural hazards. They also provided recommendations, *inter alia*, to mainstream DRR on international and national development agendas, engage the private sector and empower local authorities.

On country-level DRR efforts, Seri Mohamed Aziz, Minister at the Prime Minister's Department, Malaysia, discussed his country's stormwater project to mitigate urban floods and real-time flood forecasting information exchange. Kristalina Georgieva, Commissioner for International

Cooperation, Humanitarian Aid and Crisis Response, EU, explained that disaster risks can undermine development and highlighted the importance of working with disaster-prone countries to make sure that investments in those countries can resist disasters.

Woochong Um, Deputy Director-General, Asian Development Bank, emphasized the importance of generating financing for DRR and harnessing the knowledge of the private sector. Oscar Ortiz, Mayor of Santa Tecla, El Salvador, saw disaster as an opportunity to rebuild infrastructure and noted the importance of leadership and building local capacity. Nirankar Saxena, Director, Federation of Indian Chamber of Commerce and Industry, highlighted the importance of leveraging greater financial resources and technologies. On building resilience and maintaining awareness, Ortiz highlighted the role of education and collective memory.

In response to questions from participants on whether to make DRR a conditionality or a safeguard, Um suggested DRR is already part of rapid assessments. Georgieva called for greater knowledge-sharing. Saxena emphasized the positive role of microfinance in DRR.

### INFORMAL PLENARY: IMPLEMENTATION OF THE OUTCOMES OF THE HFA MID-TERM REVIEW

Co-chair Margareta Wahlström, UN Special Representative for Disaster Risk Reduction, said the aim of the session was to reflect on the Mid-term Review of the HFA and ways forward, focusing on local, national and regional levels, local communities and cross-cutting issues. Co-chair Kenzo Oshima, Senior Vice President of Japan International Cooperation Agency, called for innovative approaches to mainstreaming DRR into sustainable development and climate change



Margareta Wahlström, UN Special Representative for DRR

adaptation. Letizia Rossano, Senior Coordinator of the HFA Mid-term Review, presented the main findings of the Review, and said progress in DRR is taking place, especially from an institutional point of view, by passing of national legislation, setting up early warning systems, and establishing cooperation agreements and joint plans of action at the regional level. She noted that issues in need of further attention include: holistic and strategic ways of implementation; cross-cutting issues; and cost-benefit analysis. Co-chair Wahlström opened the floor for comments.

Many participants agreed that cost-benefit analysis and tools for assessing losses are very important to measure effectiveness and encourage investments in DRR, while others emphasized the need for baseline data to better assess progress. Co-chair Wahlström noted that national investments are often insufficiently measured, and one participant said the economic benefits of DRR need more focus.

Several participants noted that not enough attention is placed on vulnerability and resilience, with one participant calling for improved integration of resilience into DRR policy and plans, and normative instruments, and another emphasizing the need for advocacy efforts to build resilience. Some participants proposed that countries present annual reports on their implementation of the HFA.



Letizia Rossano, Senior Coordinator of the HFA Mid-term Review

Participants raised the significance of local level involvement and empowerment to respond effectively to disasters. The discussion also focused on improved involvement of the private sector, and further investments in preparedness and prevention, as well as involving indigenous communities in the HFA process. One participant recommended that risk and vulnerability assessments are taken into account to reach the priority to reduce underlying risk factors.

Some participants discussed the need to keep the HFA a voluntary tool, and others stressed the importance of developing DRR standards for better guidance, supporting the National Platforms, and setting targets at the national level. In closing the session, Co-chair Oshima proposed the creation of an inter-global platform mechanism to help advance HFA implementation.

## PLENARY STATEMENTS

Participants continued to hear statements from countries and organizations in morning and afternoon sessions. John Carter, Minister of Civil Defence, New Zealand, with Motloheloa Phooko, Minister in the Prime Minister's Office, Lesotho, noted the importance of DRR education. Alfonso

del Alamo, Madrid City Council, Spain, with Elroy Africa, Director-General, Department of Cooperative Governance and Traditional Affairs, South Africa, said that knowledge, training and exchange of best practices is an important component of DRR. Pande Lazarevski, Director, Crisis Management Centre, the Former Yugoslav Republic of Macedonia, noted that risk reduction is a lifestyle change. Ato Mitiku Kassa, State Minister, Ministry of Agriculture and Rural Development, Ethiopia, said that the HFA ensured that Ethiopia's DRR management is aligned with development policies. Yuri Brazhnikov, Head, Russian National Emergency Response Corps., stressed the need for establishing national crisis centers.

Gustavo Leal Fuentes, General Coordinator, National System for Emergencies, Uruguay, said that Uruguay has moved from a system of disaster response to integrated disaster risk management. Margaret Davidson, Director, Coastal Services Center, U.S. National Oceanic and Atmospheric Administration, said that DRR should be the cornerstone of adaptation policies.

A number of countries outlined national DRR efforts. Me El Hadji Ousmane Alioune Ngom, Minister of State and Minister of the Interior, Senegal, noted the construction of the Great Atlantic Wall to combat coastal erosion and the Great Green Wall to combat desertification. Seitkazhe Okassov, Ministry for Emergency Situations, Kazakhstan, highlighted signing a memorandum of understanding for a Central Asian center to respond to natural disasters. Giorgio Orsoni, Mayor of Venice, Italy, outlined a new tidal defense system. José Luis Guterres, Vice Prime Minister, Timor-Leste, underscored their DRR policy allowing, *inter alia*, the development of contingency plans and the establishment of necessary infrastructure. JM Ayine, Director General, Risk Prevention, Gabon, outlined their use of multisectoral risk assessments.

Roger Tchoungui, Assistant Secretary General, the Economic Community for Central African States (ECCAS), said that ECCAS is embarking on a number of partnerships with multilateral organizations to implement DRR effectively. Sihak Phuangketkeow, Ambassador, Permanent Mission of Thailand to the UN, Geneva, with Luisa Tuiafitu Malolo, Ministry of Environment and Climate Change, Tonga, called for increased multisectoral partnerships for DRR. María del Pilar Cornejo R. de Grunauer, National Secretary, Risk Management, Ecuador, said it is essential for central government to work with local communities. Loti Yates, Director, National Disaster Management Office, Solomon Islands, said they have prioritized the need to make DRR gender sensitive.

Matthias Schmale, Under-Secretary General, International Federation of Red Cross and Red Crescent Societies, called for governments to strengthen the role of communities and high-risk people in DRR. Corazon Juliano-Soliman, Minister of Social Welfare and Development, the Philippines, and Jennie Richmond, Head, Humanitarian and Disaster Risk Policy Group, called for increased capacity building at the local level. Kim Yong-Kyun, Director, National Emergency Management Agency, Republic of Korea, called for increasing local government's capacity. Alan March, AusAID, noted that DRR is a shared responsibility. Saber Hossain Chowdhury, Member of Parliament, Bangladesh, highlighted the establishment of parliamentary oversight for DRR.

Hege Hertzberg, Ministry of Foreign Affairs, Norway, underscored the importance of competent national institutions, with A.E. Ahmed, Secretary, Ministry of Home Affairs, India, noting a process to strengthen institutions at all levels. Henrique Vicêncio, National Authority for Civil Protection, Portugal, and Pilar Gallego Berruezo, Director General, Civil Protection and Emergencies, Spain, announced the

establishment of their National Platforms for DRR. Mahinda Amaraweera, Minister of Disaster Management, Sri Lanka, and Jorge Antonio Meléndez, Director General, Civil Protection, El Salvador, advocated investing in improvements in health, and, with Obaid Salem Al Zaabi, Ambassador, United Arab Emirates, in education.



Sri Mulyani Indrawati, World Bank, and Tim Sebastian, Moderator

Latifa Benazza, Director, Ministry of Foreign Affairs, Algeria, lamented the lack of financial and technical resources. Eltayeb Osman, General Directorate for Civil Defense, Sudan, said that preparedness and response is required for disasters but is a great burden on their budget. Muhammad Saidur Rahman, Director, Bangladesh Disaster Preparedness Centre, called for clarity on the modalities of DRR spending as there is little effect from using trickle-down approaches.

## HIGH-LEVEL POLICY PANEL

This high-level policy panel – Responding to Natural Disasters: A Long Ignored Development Challenge? – was convened as part of the World Reconstruction Conference, taking place over the course of the Global Platform. The session was chaired by Asha-Rose Migiro, UN Deputy Secretary-General, and moderated by Tim Sebastian, Chairman, Doha Debates. The panel explored the following issues: recovery and reconstruction, and whether lessons of the past have been learned; ensuring that communities receive commitments and promises; and the need for more investment in prevention.

On recovery and reconstruction, Ato Mitiku Kassa noted that disaster risk management lacks coordination and that affects the way that people are assisted. Kristalina Georgieva said that agencies have to come together and be clear about who does what and highlighted the new EU European Emergency Response system initiative.

Sri Mulyani Indrawati, Managing Director, World Bank, called for a stronger framework to coordinate disaster activities and greater transparency in the process. Marcus Oxley, Chairman, Global Network of Civil Society Organisations for Disaster Reduction, UK, noted that the level of emergency response has improved and that disasters provide an opportunity to learn from the past. He stressed that a post-disaster strategy needs a careful assessment of the damage and of how to rebuild. Nadeem Ahmad, Former Chairman, National Disaster Management Authority, Pakistan, called for the establishment of institutions dedicated to reconstruction, and also suggested that the UN take the lead in coordinating DRR

activities in poor developing countries. Ludger Arnoldussen, Member of Board, Munich Re, noted that low insurance density is the reason why reconstruction is not as efficient.

On ensuring commitments and promises, Oxley said the key is to connect macro-level inputs with outputs and lamented the gap between policies and legislation. He suggested that three actions are needed to translate policy into practice: participation and inclusion; accountability and transparency; and institutional capacity at the local level to implement policies. Nadeem said that flexible funding mechanisms and capacity-building programmes are needed. Arnoldussen suggested investing donor funds into insurance.

On investment in prevention, Oxley emphasized that it is not only a question of investment but rather a “hard” strategy to execute a vision, one that trusts dialogue, mutuality and partnerships. One participant lamented the lack of funding to support capacity-building programmes.

## ROUNDTABLES

**PUBLIC INVESTMENT:** Ivan Morales, Executive Secretary, Coordination Center for the Prevention of Natural Disasters in Central America, chairing the session, said public investment is key to linking DRR with development and allowing sustained investment.

Noting that public investment requires a more holistic series of interventions, Luis Miquel Castilla Rubio, Vice Minister for Finance, Peru, outlined a cross-cutting vision to identify risks and implement a standardized framework on prevention. Manuel Dengo, Ambassador, Costa Rica, said the Ministry of Planning plays a central role in incorporating DRR management into national plans and policies to ensure that all sectors benefit from public investment. Manuk Mkrtchyan, Deputy Minister for Education, Armenia, emphasized that the state is an important investor in disaster recovery, and noted the need to strengthen school education programmes on DRR.

Senendra Upreti, Chief of the Curative Division, Ministry of Health, Nepal, described the National Strategy for Disaster Risk Management that puts priority on building safer schools and hospitals. Salim Al-Moghrabi, Commissioner for Environment and Sustainable Development, Jordan, described the governance model in the Aqaba zone that facilitates the local government’s role in risk management planning, including investments in hospitals and schools. Ivo Menzinger, Managing Director, Swiss Re, noted that risk financing and transfer can help governments protect DRR investments, recommending pre-emptive planning and funding.



Senendra Upreti, Ministry of Health, Nepal

In the ensuing discussion, some participants noted that public investment is insufficient, with Castilla Rubio stressing that proper policies and planning are also important. On the hazard of desert locust invasions in the Sahel, one participant said prevention measures are essential, while another noted that many governments facing urgent daily problems are not capable of investing in future risk reduction. Several participants underlined the importance of long-term investments, with Menzinger highlighting that successful government risk transfer schemes show that pre-financing makes sense. On the allocation of responsibilities, Castilla Rubio noted that clear delineation between various state bodies is important. Dengo said accountability is key to institutionalizing DRR.

**PRIVATE SECTOR:** Chair Rowan Douglas, CEO, Global Analytics, introduced the theme as engaging with the private sector. Sandra Wu, President, Kokusai Kogyo, described Japan's disaster framework that combines hard infrastructure development with a network of soft measures. José Luis Barbier, Ministry of Interior, Argentina, called for engaging the private sector to link national development models with disaster preparedness. Régis Thepot, Director General, Grands Lacs de Seine, France, urged the public sector to support companies in building risk-awareness and preparedness.

Thomas Loster, Chairman, MunichRe Foundation, said the banking sector can support both recovery and preparedness, highlighting risk assessment. John Tobin-de la Puente, Credit Suisse, suggested that microfinance provides an opportunity for disseminating information on preparedness and resources for recovery. Jan Mumenthaler, International Finance Corporation, emphasized that risk management is not about slowing down business, but is a performance indicator. Peter Gruetter, CISCO Internet Business Solutions Group, said technology could sense, predict, analyze and mitigate risks. Peter Williams, IBM, suggested using companies' supply chains or technology networks for supplying emergency material and information.

Juan-Gabriel Aguiriano, DuPont Sustainable Solutions, suggested that best practices in the industrial sector can be leveraged for DRR and prevention. Margareta Wahlström encouraged the public and private sectors to be more explicit about mutual expectations.

In the ensuing discussion, participants identified the need to: harmonize DRR and adaptation; distribute existing risk prevention knowledge and technologies to developing countries; place food and energy at the center of the DRR agenda; enhance financial support to women for disaster recovery; build resilience of children; and develop markets at the local level.

**CRITICAL INFRASTRUCTURE:** Richard Andrews, former Director, California Governor's Office of Emergency Services, US, chaired the World Reconstruction Conference roundtable on rebuilding and protecting critical infrastructure, which aimed to define strategies to assess and address risks to critical infrastructure as well as draw on experience from Japan and other countries.

Kenichi Suganuma, Ambassador, Permanent Mission of Japan to the UN, Geneva, said Japan has promoted a society that resists earthquakes and implemented measures that helped preserving much of its critical infrastructure, and he reported on the creation of a national council to discuss a vision for reconstruction and creation of a more resilient society. Hirokazu Tatano, Kyoto University, Japan, described implications for critical infrastructure from the earthquake in Japan, emphasizing cascading effects throughout supply chains. He suggested that knowledge of and coping capacity for disasters are intrinsically limited, and recommended building a robust and flexible system of countermeasures. Charles Scawthorn, Kyoto University, Japan, suggested that minimizing risk to critical infrastructure must combine a macro perspective, including risk assessments of seismic hazards

and network analysis, with assessment of infrastructure at the micro level like pumps, pipes and tanks, and the human operators of these systems.

Murat Bursa, CEO, Zorlu Energy Group, said it is crucial that governments set and enforce standards for constructing, buying and assembling critical infrastructure. Pablo Allard Serrano, National Urban Reconstruction Program Coordinator, Chile, shared experience with rebuilding critical infrastructure in a context where most infrastructures have been privatized. He emphasized emergency frameworks to uphold telecommunication services and electricity supply post-disaster. Otto Kocsis, Head of Business Resilience Practice, Zurich Insurance Company, said site risk assessments by insurance companies are crucial for raising risk awareness within businesses. He recommended moving beyond asset insurance to business resilience, assessing company risks in interdependence with other organizations and processes.

## FEATURED EVENT

### ECONOMICS OF EFFECTIVE PREVENTION:

In a session moderated by Matthias Frei, BBC America, Apurva Sanghi, Senior Economist and Team Leader, World Bank, introduced the findings of a new UN-World Bank report entitled "Natural Hazards, UnNatural Disasters: The Economics of Effective Prevention." They include: prevention is often possible and cost-effective; many measures, taken by the private and public sectors, must work synergistically for effective prevention; and exposure to hazards will rise in cities, but greater exposure need not increase vulnerability if well managed. According to Sanghi, the lead author, the main take-away from the report is that prevention pays if it is done right, and building stronger institutions and networks and making information more accessible is part of the solution.

Jordan Ryan, Assistant Administrator, UN Development Programme (UNDP), added that prevention does matter, especially as hundreds of thousands of lives have been lost and trillions of dollars worth of damage done as a result of natural disasters over the past 40 years. He also said that preventing disasters should be part of the development agenda.

Vanessa Rosales Ardon, President, National Commission for Risk Prevention and Emergency Response, Costa Rica, said that the report could be useful in convincing decision-makers to start thinking about "paying more now for preparedness activities so you pay less later," but said that more focus should be dedicated to social perspectives, including human rights and gender issues. Seri Mohamed Aziz explained that because his country faced perennial natural hazards, especially floods, it is not difficult to convince the government to invest in DRR. Kenichi Suganuma also said that prevention measures pay, citing that many lives were saved in the March 11 earthquake and tsunami as a result of DRR investments.



Apurva Sanghi, World Bank