



# PLENARY SESSION

## Private Sector for Resilient Societies: Ingredients for Success

### Concept Note

<b>Schedule</b>	Tuesday 21 May, 10:30 to 12:30, Room 1
<b>Organizers</b>	United Nations Office for Disaster Risk Reduction – Private Sector Advisory Group (PSAG); Disaster Risk Reduction – Private Sector Partnership members
<b>Focal Points</b>	Kiki Lawal, UNISDR (lawalk@un.org)
<b>Background and Rationale</b>	<p>Globally about 80% of all investments are made by private companies, both multinational corporations and Small and Medium sized Enterprises. These investments build the foundation and critical infrastructures of communities around the world; they provide transport, drinking water, electricity, offices and housing. But also ‘soft’ investments in operational procedures, systems and interfaces should be taken into account while building more resilient communities. All private investments have to be resilient.</p> <p>The next step for private sector engagement in disaster risk reduction is an approach that steers private investments towards greater resilience. There is good reason to move quickly. For a number of years annual economic losses have exceeded \$100 billion due to a rapid increase in exposure of industrial assets and private property to extreme disaster events. Indeed, economic losses caused by major well-reported disaster events shows that since the mid-90s there has been a dramatic rise in economic losses.</p> <p>Estimates are that by 2030 more than 200 trillions of dollars will be invested worldwide in urban infrastructures and between 85 to 90 per cent of these investments will be done by the private sector. Several local governments and private companies are currently engaged in innovative partnerships to steer these growing investments to greater resilience. These partnerships address the area in which a sustainable change can be made by mainstreaming resilience into the core of the private sectors’ role in society.</p> <p>This Plenary Session on Private Sector for Resilient Societies - Ingredients for Success introduces the concept of resilient investment by highlighting case studies of innovative partnerships happening in San Francisco, Metro Manila and Sendai. These are cases of close collaboration, both among companies themselves and between the public and the private sector. Examples of good</p>



	<p>practices, enabling legislation (e.g. building standards), incentives (tax, permit etc), tools and methods will be discussed.</p> <p>These cases form the empirical basis for a discussion on how to fully incorporate climate risk and natural disasters into the investment planning and decision making of private investors. This discussion will construct a wide and generic approach for Resilient Investment. As such, it will inform of the opportunities and challenges around resilient investments for the consideration in the post-2015 framework for disaster risk reduction (HFA 2).</p>
<p><b>Session Objectives</b></p>	<p>To present new approaches that steers investments towards greater resilience.</p> <p>To advocate for inclusion of exposure and resilience to natural disasters as a standard component of company Annual Reports and risk statements provided to investors.</p> <p>To promote resilient investment and private sector engagement in the post-2015 framework for disaster risk reduction (HFA 2).</p> <p>To demonstrate good practices and ingredients for success for public-private partnerships for urban investment and resilient cities.</p>
<p><b>Discussion agenda and structure</b></p>	<ol style="list-style-type: none"> <li>1. Introduction and welcoming remarks – UN (7 minutes).</li> <li>2. Set the scene             <ul style="list-style-type: none"> <li>- Short video on the impact of disaster on the private sector (3 minutes).</li> <li>- Key-data from the Global Assessment Report on private sector and disaster risk reduction (5 minutes).</li> <li>- View from the public sector: Case study from effective public-private collaboration on resilient post-disaster reconstruction in Christchurch (5 minutes).</li> </ul> </li> <li>3. Brief introduction in the concept of Resilient Investment (5 minutes).             <ul style="list-style-type: none"> <li>- An introduction of the generic approach to Resilient Investment, touching on concepts such as: risk awareness, risk quantification and risk mitigation management.</li> </ul> </li> <li>4. Philippines (Metro Manila) and SM Prime (10 minutes)             <ul style="list-style-type: none"> <li>- A case of the Muntinlupa area is notably located close to a fault zone, making it vulnerable. To understand the important geological considerations for this project, SM Supermalls gathered all relevant data from the Philippine Institute of Volcanology and Seismology. The data was used to design and construct safer</li> </ul> </li> </ol>



	<p>Supermalls that minimize the impact of earthquakes and additional disasters such as the rupturing of both sides of the fault.</p> <p>5. Public-Private Partnership: a Case from Sendai City working with Kokusai Kogyo (7 minutes) - A case of Tagonishi Eco-town (land development project) will be presented. In the aftermath of March 2011 Tsunami, the project was revised to utilize the land for housing for those who were displaced by the tsunami with high focus on making the town more resilient to disasters.</p> <p>6. Resilient Investment in San Francisco - Ingredients for Success (10 minutes). - The Eco-District project is led by the City and County of San Francisco Planning Department's re-development concept for the central corridor of San Francisco including downtown and the \$4 Billion Transbay Transit Center Project. The engagement with stakeholders within this Eco-District has formed the basis for examining the why and how of resilient investment. The case study identifies the barriers, value and incentives for resilient investment.</p> <p>7. Panel experts and participants engage in interactive and open floor discussion on examples from case study, generic aspects of resilient investment and the role of public-private partnerships in these (40 minutes).</p> <p>9. Wrap up and conclusion by the moderator (10 minutes).</p>
<p><b>List of expected outcomes</b></p>	<ul style="list-style-type: none"> <li>- Improved awareness and understanding of increase of economic losses due to disasters</li> <li>- Introduce both public and private policies, programs and practices that can steer investments towards greater resilience.</li> <li>- Increased knowledge about the opportunities and good practices for public-private partnerships for urban investment and resilient cities.</li> <li>- Identified opportunities and challenges for the promotion and incorporation of resilient investment in the HFA2. To strengthen cooperation between private sector and governments to reduce risk of jobs-loss and reinforce resilience.</li> </ul>
<p><b>Subject's Link to Post-2015:</b></p>	<p>Identifying opportunities to incorporate disaster risk reduction in the work of the private sector is something which was not part in the current Hyogo Framework for Action. Recognizing the high economic costs especially to the private sector as exposure increases. The role of the private sector in promoting resilient investment and sharing good partnership practices around reducing disaster risk will be part of the post 2015 agenda and the HFA 2.</p>
<p><b>Relevance of the</b></p>	<p>The session offers practical guidance on the 'how' of one of the outcomes of the</p>



<b>initiative</b>	HFA2 consultations. The session links also to the Making Cities Resilient Campaign by offering case studies of public-private collaboration on a local government level. It offers practical experiences for both Mayors and CEO's to collaborate for more resilient cities.
<b>Expected number of participants and speakers</b>	1,000
<b>Technical Equipment Required</b>	Panel set-up on stage; mobile microphones, possibility to broadcast video,
<b>Background documents</b>	<ul style="list-style-type: none"><li>- The 5 Essentials for Business in Disaster Risk Reduction (Statement of Commitment by the Private Sector for Disaster Risk Reduction, Resilience and Risk Reduction)</li><li>- Global Assessment Report 2013</li><li>- Pamphlet – Is Your Business Disaster Proof?</li><li>- PwC and UNISDR, forthcoming: PwC and UNISDR - Working Together to Reduce Disaster Risks. (published in April 2013)</li></ul>