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Title of the Session: Corporate Social Responsibility, an opportunity to reduce disaster risk

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Summary

Public-private partnerships are a key issue to reduce disaster risk in the communities. As the Hyogo Framework of Action states on its fourth priority, reducing the underlying risk factors through social and economic development practices it is vital for successful disaster preparedness. Corporate Social Responsibility, understood not as philanthropy but as an active posture towards sustainability, emerges as useful starting point to engage the private sector on actions for disaster risk reduction and to foster a culture of prevention.

Context

What is Corporate Social Responsibility?

Corporate Social Responsibility (CSR) might find its origins as far as the Ancient Persia, based on the teachings of philosopher Zarathustra "good thoughts, wood words, good deeds" and has evolved to become a central part of what we now understand as business ethics (Abreu & Badii, 2007). Often misunderstood, this term has become a common place for every action that should be "good" on a company,

A usual mistake is to consider CSR as philanthropy, conceiving private sector companies as charities and questioning their profits. In my opinion, being socially responsible as a company it's an effect of being successful –profitable- , due to the fact that CSR is no more than an active posture towards being accountable for the impact of operations within the community hence heading to more sustainable processes.

Therefore, Corporate Social Responsibility should be conceived as a role that private sector companies play, towards an equilibrium between economic development, social welfare and the exploitation of natural resources. Even more, companies must become an active part of the solutions that our society require, for their own good and the society in which they develop (CentraRSE, 2006)

CSR for Disaster Risk Reduction

Investing in Disaster Risk Reduction is simply good business, a clear and straight forward phrase to encompass the reasons why private sector companies should engage in programs towards managing and reducing risk. Why good business? Take for example Toyota company, who lost more than 1 billion –yes, billion- US Dollars on indirect losses after the 2011 Tōhoku earthquake and tsunami on the Pacific coast of Japan. I'm not judging or saying that there weren't plans in place, but you can figure out the impact of a natural event on any company and the importance to manage risk for minimizing losses.

Unfortunately, Disaster Risk Reduction and specially CSR programmes regarding DSR are few and there's not too much investigation around it, the most probable reason may rely in the lack of awareness on top-managers and decision makers about the impacts and more important, a lack of situational awareness meaning that most of the private sector companies don't realise that there's no "us and them" when it comes to risk. A volcano eruption in Iceland caused a massive disruption to air travel across Europe in 2010, which provoked a chain of effects such as losses on trade, which means that disasters nowadays usually don't affect only one company but a whole community, society, country or region.

Private sector companies need strong, resilient and healthy communities were to coexist, hence the importance of CSR as a means to achieve this objective.

GOOD PRACTICES FOR CSR FOR DISASTER RISK REDUCTION

- Transparency

Private sector companies often develop risk assessments, some of which can be very useful to the community where they operate. Don't be afraid to give that information, it's better that they hear it from you than from media or social networks.

- Knowledge

Share the problem AND the solution, allocate resources in teaching. If you are for example a natural gas company and you have the knowledge on how to manage a gas leak; well, approach your fire department and offer them a workshop or whatever learning opportunity you consider appropriate; they'll be glad of improving their information and you will be a more sustainable company.

- Plan

A prepared company is a responsible company. If you implement a Business Continuity Plan, you'll be an organization who doesn't distract resources from the community when disaster overcomes, even more, probably you will contribute to the response and recovery.

- Coordinate

Remember situational awareness? You are not alone, hence be proactive and create partnerships with other companies, government and every other stakeholders on you area of influence so you can prepare better and united.

In my opinion, these few good practices for CSR can put you on track to actively contribute in the development of a more resilient and aware community, reducing disaster risk.