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## Summary

Risk management is becoming more and more articulated within the political and strategic agendas of the nation states. This is explained largely by the growing interdependencies across sectors, industries, countries, and regions resulting in increased uncertainties and growing number of emerging risks. Can risk management be instrumental for countries to achieve sustainable development priorities? To address this we need to move away from 'disaster-centric' strategies to 'risk-centric' ones. An integrated perspective on risk management for sustainable development is palpable. Below are the three main theses.

## Context

**Thesis 1:** While there is a significant body of hazard-related analysis, much less robust research is available on the causes, pathways, and implications of the *risks* that impact societies, industries, economies, and businesses. This is partly explained by the fact that risks are socially constructed and significance of any risk depends largely on human perception. Partly, it is explained by the multiplicity of various risk assessment techniques and concepts, compatibility of which is questionable, rendering comparative overviews and common grounds for decision-making rather unachievable.

Disaster risk reduction has been largely recognized as an integral part of social and economic development, and as essential factor if development is to be sustainable for the future. It has been approached from safety and security perspective. Thus, acknowledging that EU is exposed to an array of potential crises and disasters, The EU Internal Security Strategy in Action<sup>1</sup> (2010) has called its member states to develop their national approaches towards risk management, including risk assessment (Objective 5: Increase Europe's resilience to crises and disaster). The all-hazard perspective was proposed to cover all potentially significant risks and to develop cross-sectorial overview of the major natural and man-made risks that the EU may face in the future. Through introducing common principles for the national risk assessment the Strategy is expected to contribute to more coherent and better integrated European crisis and disaster response capacity. The Commission Staff Working Paper on Risk Assessment and Mapping Guidelines for Disaster Management<sup>2</sup> that followed the Strategy, provides general guidelines on the process and methods of national risk assessment aiming to increase coherence and consistency among the risk assessments undertaken in the member states. This has given rise to a variety of national risk assessment methodologies developed and put into implementation by the member states. Attempts are made to increase coherence and integrity among disaster risk assessment and management

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<sup>1</sup> COM(2010) 673, COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT AND THE COUNCIL, The EU Internal Security Strategy in Action: Five steps towards a more secure Europe

<sup>2</sup> [http://ec.europa.eu/echo/files/about/COMM\\_PDF\\_SEC\\_2010\\_1626\\_F\\_staff\\_working\\_document\\_en.pdf](http://ec.europa.eu/echo/files/about/COMM_PDF_SEC_2010_1626_F_staff_working_document_en.pdf)

processes in developing countries too. Addressing disaster risk management from safety and security perspective requires avoidance and reduction strategies.

**Thesis 2:** However necessary and important, this might not be fully sufficient from sustainable development perspective. In many cases, especially truth for developing societies, substantial efforts are put in place to move away from the current state towards more desired one through implementing variety of developmental interventions. Taking on risks and proactively managing them is a natural element of sustainable development ensuring environmental, economic, and social well-being for today and tomorrow. An effective risk management for sustainable development would therefore need to address scientific, economic, environmental, social, cultural or more risks. This is necessary because any development intervention impacts the 'risk landscape' of its beneficiaries. The risk landscape is like a shadow cast by each of us individually and by our society collectively. We cannot escape our shadow under any circumstances. We will always have opportunities that we can take and challenges to face. Implementing development intervention we are changing the risk landscape of the beneficiaries. In so doing, we may heighten some challenges and remove some opportunities, or vice versa.

To increase effectiveness of our interventions it is crucial to understand the initial state of the 'risk landscape' of the beneficiaries and how it could be altered through development intervention. The main challenge is that our knowledge about many of the risks that we are facing is limited and so is our capacity to calculate them accurately in terms of probability, consequences, compensation and accountability. This is partly explained by the disruption of cause-and-effect relationships of risk consideration. Such disruption occurs in various dimensions: across generations, geographic areas, sectors, institutions, etc. For instance, the factors generating and amplifying risk might be contributed to by one group of actors, whereas the effects of the risk can be significant for another group (think of climate change or the recent financial crisis, for instance). Accepting this perspective would require adoption of risk-informed development interventions that go beyond purely disaster risk consideration.

**Thesis 3:** In the quest for change and innovation we should not forget what is important to preserve for us as individuals and societies irrespective of and with respect to our differences: planetary boundaries, cultural heritages, human rights, or something else? What are the fundamental characteristics of our collective identity as individuals, societies, and global human family that cannot be altered under any condition? *"Our ability to develop new products, applications, concepts and services is being less and less limited by the limits of human intelligence; the latter is constantly breaking down scientific and technological barriers. The issue therefore no longer lies in our ability to develop something, but rather in our responsibility to develop it or not, having considered potential impacts".*<sup>3</sup> Such consideration of potential impacts inevitably enters the interface of ethics, society, and technological innovation.

**Conclusion:** Abovementioned suggests moving away from 'disaster-centric' strategies to 'risk-centric' ones through employing integrated perspective on what needs to be

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<sup>3</sup> Responsible Innovation in the context of the KARIM project, A guiding document for SME and Policy-Makers, [http://karim.youreuevent.eu/uploads/biblio/document/file/5/3617\\_ResponsibleInnov.pdf](http://karim.youreuevent.eu/uploads/biblio/document/file/5/3617_ResponsibleInnov.pdf)

avoided/reduced, what needs to be developed, and what needs to be preserved to ensure sustainable development. Within development cooperation field we don't speak this language yet.

In practice, multiple stakeholders vary in their risk assessment, risk perception, and often have conflicting agendas over limited resources to invest in disaster risk management and other development interventions. Moreover, there is a lack of understanding of the concepts of risk, risk management, and risk-informed development planning. As a result, the decision-makers lack a comprehensive overview of the prevalent risks, with the potential to miss the most optimal investment strategies to manage priority risks and to ensure that development strategies are risk-informed. The Sendai Framework for DRR 2015-2030 only partly addresses the issues raised above emphasizing the need for understanding risk. However, we should be careful not to substitute 'understanding risk' imperative with gaining more and more hard-core (big) data on hazards missing the integrated perspective of the complex pathway towards sustainable development.